

AR51

**Bank  
Canadian  
National**

**98th  
annual report  
1972**





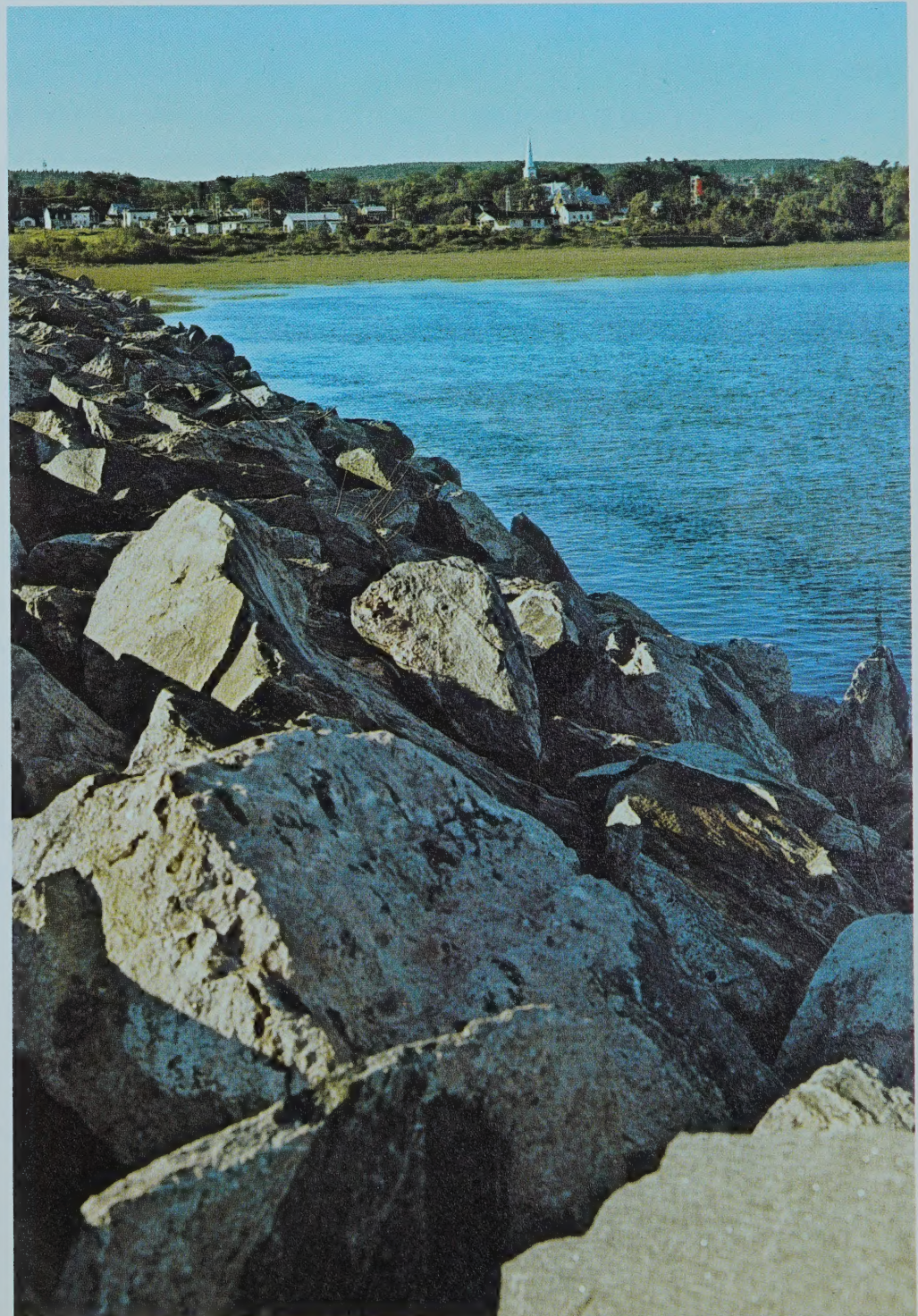
## Highlights

1972

1971

Assets . . . . .	\$2,686,570,203	\$2,280,867,008
Deposits . . . . .	2,463,408,432	2,088,214,688
Loans . . . . .	1,539,872,739	1,215,457,461
Net Profits . . . . .	8,215,675	7,095,626
Earnings per share . . . . .	1.17*	1.08*
Provisions for income taxes:		
on balance of profits after appropriation		
for losses . . . . .	7,237,000	7,277,000
on appropriation for losses . . . . .	—	1,659,000
Capital (per share \$2.00) . . . . .	14,000,000	13,974,346
Rest account* (per share \$10.86;		
1971—\$9.89) . . . . .	76,000,000	64,897,384

\*Based on weighted average of issued shares.





## Board of Directors

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\*Louis Hébert (Montréal)

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George A. Daly (Montréal) . . . . .	Chairman and Chief Executive Officer, Daly & Morin Ltd.
*Germain Perreault (Montréal) . . . . .	Chief General Manager, Bank Canadian National
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Michel Baribeau (Lévis) . . . . .	President and General Manager, Industries Baribeau Inc.
J. Jacques Beauchemin, Q.C. (Montréal) . . . . .	President, Sullivan Mining Group Ltd.
Laurent Beaudoin, C.A. (Valcourt) . . . . .	President and General Manager, Bombardier Ltd.
*André Charron, Q.C. (Montréal) . . . . .	President, Lévesque, Beaubien Inc.
*Georges O. Clermont (Montréal) . . . . .	Chairman, Clermont Motor Ltd.
*Étienne Crevier (Montréal) . . . . .	Chairman, The Provident Assurance Company
*Roger DeSerres (Montréal) . . . . .	President, Omer DeSerres Ltée
Marc H. Dhavernas (Montréal) . . . . .	President, United North American Holdings Ltd.
Gaston Élie (Montréal) . . . . .	President, Transit Tankers & Terminals Ltd.
J. Claude Hébert (Montréal) . . . . .	President, Warnock Hersey International Limited
Jacques Lagassé, LL.L. (Sherbrooke) . . . . .	Lagassé, Lagassé, Gagnon & Lagassé, notaries
Roger Larose (Montréal) . . . . .	President, Ciba-Geigy Canada Limited
André Latreille, Eng. (Montréal) . . . . .	President, Alta Construction (1964) Limited
Charles E. Marquis, Eng. (Québec) . . . . .	Chairman, Beaudet, Marquis
J. Robert Ouimet (Montréal) . . . . .	Executive Vice-President, J. René Ouimet Enterprises Ltd. and Cordon Bleu Ltd.
Renault St. Laurent, Q.C. (Québec) . . . . .	St. Laurent, Monast, Desmeules, Walters & Dubé, Advocates
Robert M. Schmon (Niagara-on-the-Lake) . . . . .	President, The Ontario Paper Co. Ltd. and Quebec North Shore Paper Co. Ltd.
Alfred Tourigny, Q.C. (Montréal) . . . . .	President, National Insurance Society

# Officers of the Bank

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Louis Hébert

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Germain Perreault

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Jean Boulanger

Jacques Douville

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Martin Forest

Pierre Castonguay  
Olivier Hudon

Hubert Dunn  
Claude Racicot

Clément M. Dupras  
Gérard Vézina

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Alexandre Boutet  
Robert DeLeeuw  
Luc Morin

Marcel Côté  
Claude Dieumegarde  
Gaëtan Parent  
André Tremblay

Gaston Dagenais  
Claude Lorange  
Jean Paul Roy

## GENERAL SECRETARY

Yvan Desjardins

## SERVICES

Pascal Laquerre  
Supervisor—Credit

Jean Paul Borduas  
Supervisor—Special Loans

Raymond Bussi res  
Comptroller

Jean C t   
Supervisor—Investments

Lionel Laprade  
Supervisor—Legal

Gilles Tremblay  
Supervisor—Marketing

Alban Lalibert   
Supervisor—Organization & Methods

J. Herv  Ch nier  
Supervisor—Security

Guy Delorme  
Supervisor—Stationery

Yves Loslier  
Supervisor—Credit

Claude Lemay  
Supervisor—Personnel

Jean L pine  
Supervisor—Inspection

G rald Blais  
Supervisor—Data Processing

Marcel Desrochers  
Supervisor—Bank Premises

L on Gr goire  
Supervisor—BCN Chargex Centre

Bernard Poitras  
Supervisor—Systems Development

J. Marcel Chaurette  
Supervisor—Routine

Paul Charlebois  
Supervisor—Safety & Mechanical Equipment

Normand Poudrette  
Supervisor—Credit

G. Laurent Germain  
Chief Accountant

Andr  Boisvert  
Supervisor—International Division

Yvon Beaupr   
Co-ordinator—Business Development

Michel Charron  
Supervisor—Training

Claude Jasmin  
Supervisor—Office Services

Raymond Beulence  
Supervisor—Clearing

Maurice Bouchard  
Supervisor—Business Development

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Raymond Beaudry  
Yvon S guin

Jean Guy Duquette

Normand Mondor  
Claude Viel

## DISTRICT MANAGERS

Lionel Boivin  
Roland Meunier

Jacques Brassard  
Jean Louis Racine  
Lucien Tessier

Guy Filion  
Germain Salois





During the past year, we have seen the departure of two of our most devoted Directors. Today, with your permission, I would like to pay them the tribute which both so richly deserve.

Mr. Aristide Cousineau, a Vice-President and the dean of our Directors, leaves us after 22 years of distinguished service. On your behalf, then, I wish to express our most sincere thanks for the devoted way in which he has served us and for the invaluable co-operation which he has always given us.

As for Mr. René Leclerc, I do not believe that there is any need to remind you of his accomplishments, since he had been identified with the Bank for the past 51 years. Last year, you will recall, Mr. Leclerc turned over to Mr. Perreault the duties of Chief General Manager. He had held this post for several years, after arriving there following a lifetime of unstinted service to the Bank. He stayed on as Vice-Chairman of the Board, however, to our extreme satisfaction. Now, he has left us permanently. We all join in wishing him the happy retirement which he has so well earned.

Mr. Perreault, who for the past year has successfully taken over the duties of Chief General Manager with the vigour which we all know is his, now succeeds Mr. Leclerc on the Board. The other seat made vacant has been occupied by Mr. Robert Ouimet. The President of a dynamic and prosperous business enter-

prise, he is a graduate of several large schools, notably Columbia University, where he obtained his Master's degree in Business Administration. Mr. Ouimet, I am very sure, will be an outstanding asset on our Board. I extend a most cordial welcome to both our new Directors.

While 1971 was a year of monetary upheavals which we are not apt to forget soon, 1972 was of a certainty marked by an intensity of political activity rarely equalled on the international scene. At this stage in history, it is important to recognize that the new bonds forged across the barriers of oceans and of ideologies will very shortly become irreversible facts in the economic sphere. As always, those who will profit the most will be those with the best insight into the drama now unfolding.

Some peevish minds undoubtedly will see in the approaches to China and the U.S.S.R. made this year by the President of the United States an indication of political opportunism, which induced him to take these spectacular steps shortly before last month's presidential elections. Whatever may have been the motives of this kind which guided President Nixon's actions, they are of little consequence. What counts is that more direct contacts have now been established between the world's three greatest powers. Whatever the future may hold in store, the process is now irreversible, because it responds to the profound desires of the world's peoples.



The trends toward dialogue and the search for unity are becoming more pronounced everywhere. Europe's Group of Six is now the Group of Nine. During its recent federal elections, West Germany expressed an unequivocal desire to pursue an open-door policy toward its enemies of yesteryear. Several Arab nations are bending their energies toward political unity. On the other continents, economic and commercial alliances are the immediate forerunners of even closer and more harmonious relations.

Those are signs of the times whose long-range implications it would be useless to deny. Slowly but surely, with varying degrees of success which will in no way alter the final result, the world will become united. It will do so through the temporary means of some large entities whose structures can now be seen forming. More than ever, then, it is essential that we be ready to play a role in this development to the hilt of our possibilities. We shall reach that goal only if we rid ourselves once and for all of our narrow selfishness, our useless quarrels, our blinkered viewpoints.

### The World Scene, 1972

As was to be expected, the election lull caused a certain slowing down in economic activities in the United States and, as a result, in all those countries with which it maintains close ties. Despite that, 1972 lived up very favourably to the hopes which had been raised for it. The economic upturn which had begun to take shape in 1971 continued with the desired vigour.

However, it will be remembered that new eddies and currents buffeted the world's money markets during the summer, when both the pound sterling and the U.S. dollar were submitted to new and powerful downward pressures. Great Britain floated its currency at that time, only to discover, as the United States had done previously, that the credibility of any monetary recovery is only illusory if it is not solidly founded on orthodox corrective measures. After budgeting for a deficit of several billion dollars, unaccompanied by any appropriate decisions or measures to throttle inflation, Great Britain learned how rapidly the market responds to such heresies.

Our neighbours to the south narrowly escaped having the same thing happen there. But the temporary freeze on prices and wages, and the soaring hopes of peace in troubled VietNam, re-established a climate of confidence which bore fruit in every sphere of activity. Fortunately, we also benefit from these conditions.

Although the U.S. election campaign raised doubts about what direction the country would take, now that they are

over it seems obvious that the U.S. will pursue an expansionary policy. The stock markets clearly indicate the return of confidence which was so sorely lacking for such a long time.

An event feared by some for several years, the entry of Great Britain into the Common Market will become a fact next January 1. Should this cause anxiety? On the contrary, isn't it preferable to adopt a positive and logical attitude in facing a situation about which nothing can be done now? Despite the delays and faltering approaches stemming from particular conditions which vary from one country to another, the world is moving inexorably toward a free trade system. It is thus necessary to be able to enter fully into the free play of competition, without seeking shelter behind artificial and antiquated customs barriers. Restricting imports by high tariffs is no way to prepare ourselves for the free and unrestrained competition which more and more will govern world trade patterns. Prosperous export markets can not be built upon artificial props.

The monetary realignments at the beginning of the year, following devaluation of the American dollar, make our task easier in certain respects. Although our money is at a premium over the U.S. dollar, its value is lower in relation to European currencies and the Japanese yen. Exports to these countries are made easier, understandably.

At its annual meeting which was held in September, the International Monetary Fund continued its efforts to bring about a lasting peace on the world's money markets, as an indispensable first step in the future development of world commerce. The process is a long and difficult one, since there are complex interests to be reconciled. It is nevertheless encouraging to see that steps are being taken along the right road. It seems to be accepted that more frequent changes in currency parity levels will be adopted from now on, thus realistically ratifying actual situations which could arise. Combined with broader limits in which currencies would be allowed to float, this would permit more rapid reaction to future events.

In another area, balance of payments deficits or surpluses would henceforth be made by an exchange of reserves, a procedure which would lead to the re-convertibility of the U.S. dollar without endangering the United States treasury.

If some people look upon President Nixon's China visit only as a propaganda ploy, it is because they deliberately refuse to recognize the potential of the trading exchanges which will soon be developed with this immense country. The Americans are very aware of this potential, as are several other countries. Japan, as a prime

example, is firmly resolved to make a spectacular foray on the Chinese market. It is pleasant to note that Canada, also, has actively commenced to prospect the trade possibilities which are opening up to us. As this new trading struggle opens, we hope that our businessmen will prove themselves to be as enterprising as is vitally necessary in today's global scene.

Following the same train of thought, nobody should any longer doubt the validity of trade with Russia. The accelerating pace of such developments and the numerous agreements already reached or on the way to being concluded open up horizons of prosperity which, in the final analysis, are the best indicators of peace for all.

### The United States progress

Before this assembly a year ago, I remarked that the American economic upturn could be surprising by its vigour. We are delighted that this has been so, because beyond a doubt the conditions now prevailing south of the border also bring benefits to Canada.

In order to reduce the chronic U.S. balance of payments deficit, it will be recalled, President Nixon adopted a series of draconian measures, which have borne the expected fruit. Exports have increased under the stimulus of the DISC programme, while the import surtax, although temporary, has the desired effect of putting the brakes on inbound trade. Measures to spur the recovery at home have also been particularly effective. Higher individual consumer spending, added to the strongly increased demand created by government spending, have put the American economy back on the road to expansion. Renewed confidence and optimism have restored to our neighbours the dynamism which has always been their strength in the past. Now that the Presidential elections are over, the United States faces the future with confidence and determination.

Trying to explain the results of a vote is always risky. But observers nevertheless agree that the re-election of President Nixon represents a rejection by the public of the radicalism and embittered confrontation to which it has been submitted for the past several years. Linked with a burning desire for peace, this prudent reaction is a symbol of calm and stability which should encourage progress. The present expansionary phase of the United States economy seems certain to continue for a long time, if it is not endangered by the always latent inflationary trends.

Under these circumstances, and when a good part of the industrial complex which has been absorbed in turning out war materials will be made available for consumer production, thus improving the competitive capacity of business, it can



well be asked what will justify continuation of the DISC programme. Whatever the government in Washington says, these measures are scarcely compatible with the GATT agreements. If they are prolonged, it is difficult to see why our country should not adopt similar measures to facilitate its export efforts.

### Canada

Even though the pre-election period in this country also put a damper on some investment decisions and thus slowed down the growth process, there is nevertheless every reason to be satisfied with the year now drawing to a close.

The upswing which began in 1971 continued during 1972, and Canada's Gross National Product this year will reach the significant milestone of \$100 billion. Even taking inflation into consideration, this still represents a real rate of growth of 6%, which compares very favourably with that of other countries in the world. Only Japan has done better.

Despite higher consumer spending, 8% of available income has gone into savings. This provides credit resources in line with the needs of industry, which for 1973 foresees investments on the scale of \$8 billion, an increase of 10% over 1972.

Everything points to continued growth during 1973, with unemployment still the only weak point in our economy. It clearly remains at too high a level, unfortunately, despite a real and constant increase in the number of jobs available.

Quebec does not fare so badly in this context. Its relative growth compares favourably with that of the country as a whole, but we obviously cannot expect to catch up with the more favoured provinces in just a few years. However, we note that Quebec had 41% of the country's unemployed in 1969, but that the percentage dropped to 36% in 1971.

In order to complete the picture, the relative decrease of Canadian exports in comparison with imports should be mentioned. Whereas exports increased by 11% over the 1971 figure, imports were up by 22%. Canada's trade balance has been largely favourable over the last few years, but now shows a slight deficit. Although this is no cause for unease, it is nevertheless important to be alert to the need to recover the competitive capacity which was the key to our past success. The creative imagination of business leaders and prudence in wage demands will guarantee future success.

### Looking ahead

Finally recovered from the crises which shook the economy during the recession years of 1969 and 1970, the Western world is playing all the trump cards needed

to further other great economic advances, vital preliminaries to any real social progress. There is, as a result, every reason to believe that the years ahead will open vistas of great promise.

The fact that confrontation in its most overt forms has disappeared almost entirely must not make us forget that Canada, in common with other Western countries, is passing through what is commonly called the crisis of the industrial civilization. It is important that we apply ourselves unceasingly to the task of solving this problem and satisfying the legitimate aspirations of the people.

The younger generation is asking questions, and we are ill prepared to provide them with the answers they want. We are thus vulnerable when faced with aspirations which we never had, since we were busy struggling to build a life which today, as a matter of fact, allows our children to be concerned about problems which we never had the time to think about.

In other respects, the economic and political systems have not evolved at the same pace as the progress which has been achieved. They also need to be re-defined. The startling progress of the 20th Century owes its being to private initiative, free enterprise and the market economy. But whenever progress reaches a certain stage, it must be organized and directed so that disorderly growth does not stifle it. New relationships must be established between government and free enterprise. These should be flexible enough not to discourage initiative; carefully structured so as not to hinder progress.

Nobody doubts that the quality of life, respect for the environment and human dignity are imperatives of the times. There is no reason why free enterprise, exercising the proper care, cannot assume a new and enriching dimension which will give it at last its true reason for being.

But these new challenges can only be met by men of good will, honest with others, demanding of themselves. Nothing great is ever accomplished by carelessness, lack of discipline and taking the easy way out.

Added to these problems common to the rest of the industrial world, in Quebec two other questions, virtually everyday topics, cloud the issue further: language and social security, which people more and more are demanding that the state provide.

Undeniably, nobody alive wishes to stand by impassively while his language and culture is lost. But I sometimes ask myself whether what people wish to save is the French of our forefathers, a lan-

guage rich and difficult to learn; or whether it is "joual", a monument to our carelessness and neglect. The only certain way to preserve a language is to understand it well and to respect it by the cultural interest which it stimulates. That doesn't prevent culture and work from being compatible, nor denies the fact that any man is enriched by knowing several languages. Conservation of and respect for the one is no barrier to a knowledge of the other.

As for the benefits which people today demand from the government, I am happy to see that our economy is healthy enough at last to concern itself ever more closely with the plight of the underprivileged, the sick, the aged. Enough can never be done for those unfortunates who truly are unable to provide for their own needs. Yet we observe that our system allows parasites to profit from bountiful handouts which they do not deserve, thereby depriving the really underprivileged. How can we accept the fact that some encourage idleness and mock work? Yet this is what sometimes occurs today, creating a grave danger for society.

Our democratic system is undoubtedly the best in the world. But it can be so only on the condition that those who live in it be honest and reasonable, and that each does his share of work.

Order without freedom is unacceptably restrictive. But freedom accompanied by disorder swiftly leads to anarchy.





This is truly a pleasure for me to be with you once again today, as we hold our 98th Annual Meeting. My pleasure is all the greater since the BCN has achieved really remarkable results during the financial year which came to an end on October 31, 1972.

It is surely no secret to anyone that the Bank's operations are concentrated for the most part in the Province of Quebec. As a result, it is quite normal that our institution should influence Quebec's economic development, and should be influenced by it, in turn.

With your permission, then, I would like to begin my report with a few brief remarks on developments in the Quebec economic situation during 1972. The first fact worth noting is that the economic upswing which started in 1971 has generally become more pronounced during the year now ending. Proof of this is that total production in Quebec grew at a faster rate in 1972 than in the previous year. However, it should be noted that Quebec's economic growth rate was slightly lower than that recorded for Canada as a whole during the same period.

Considering the close relationship existing between the operations of an institution such as ours and the economic situations prevailing in Quebec and across Canada, 1972 was a good year for us on the whole.

Working in harmony with the Bank of Canada's expansionary monetary policy, the BCN Management is bending every effort to respond adequately to an exceptionally high demand for loans. Just how strong and intense this demand is will be demonstrated by the figures which we shall examine shortly.

Another important fact to be stressed is that Canada's chartered banks, with the permission of the Federal Minister of Finance, have joined in fixing the maximum rate of interest on deposits refundable within terms of less than one year. This agreement made it possible to force back the upward pressures on the Canadian dollar exchange rate, thus avoiding a situation which would be prejudicial to Canadian exports. The agreement between the chartered banks also throttled a rise in the prime rate on loans, an increase which was threatening to discourage demand for bank loans.

Following these general observations on our economy, I would now like to review with you the broad outlines of our financial statements, to make it easier to understand the progress made by our Bank during the financial year ended October 31, 1972.

If there is one element in the balance sheet upon which people generally base their evaluation of a bank's progress, that is certainly the assets. Accordingly, I am pleased to tell you that our assets



rose from \$2,280,867,000 in 1971 to \$2,686,570,000 in 1972, which is an increase of \$405,703,000 or 17.8%. At the same time, deposits increased by \$375,193,000, with more than half of that amount, or \$202,162,000, being accounted for by deposits in foreign currencies. The Bank, in fact, has had to tap foreign markets for capital resources, in order to meet the great demand for loans. Noting that loans considerably exceed deposits in certain regions of slower economic growth in Quebec, we have decided that BCN can help stimulate the economic growth of these areas by meeting the heavier demands for loans encountered there.

Turning to deposits in Canadian currency, it is satisfying to note that a major part of the \$173,031,000 increase here came from the growth of individual savings accounts. The latter rose by \$119,727,000 representing 69% of the entire increase in Canadian currency deposits. Deposits in this category were 12.1% higher than in the previous year, giving us a good opportunity to point out that the stability of this section of our operations allows the Bank to take on loan commitments of longer term duration.

This appreciable increase in deposits has been invested almost entirely in the loans sector. This has resulted in a quite appreciable increase in our general loans, which have grown during the year from \$1,099,857,000 to \$1,471,976,000, for a gain of \$372,119,000, or 33.8%. We are understandably happy about this remarkable progress, which we attribute to several factors. One is the increasing popularity of mortgage loans and consumer loans. Mortgage loans, for example, have gone up by 89.5%, increasing from \$113,929,000 in 1971 to \$215,947,000 in 1972. Personal loans have risen by 59% during the same period.

The economic upturn which got underway a little more than a year ago obviously is more than a little related to this forward leap in the loans sector, and I would like to point out that Bank Management gave special attention to this field of activity during 1972. As a matter of fact, we wanted to re-evaluate our assets mix, in order to improve the profit margin. That is why this year's statement of assets and liabilities shows an increase of 33.8% in general loans, compared with a rise of only 9.9% in securities holdings.

The financial statements which we publish at the end of each financial year give our shareholders a very detailed picture of our operations. Despite their complexity, however, the statements omit one comparison which gives an eloquent indication of our operating success. This is the percentage increase of our loans/deposits ratio, which is a prime

index of the Bank's vigour and dynamic progress. It helps us to determine just how well we are playing our major role as a credit institution serving individuals, businessmen, governments and governmental organizations. I am thus happy to inform you that our loans/deposits ratio improved by more than 7% during the past year, and that we are bending our efforts toward even more substantial improvement in this area during the 1973 financial year.

Thanks to increases in both loans and deposits during the year, our balance of revenue was \$22,452,000, compared with \$20,372,000 the previous year, for an increase of 10.2%.

Our operating revenue was \$174,607,000 and total expenses were \$152,154,000. These two entries in the balance sheet showed virtually the same rate of increase, with revenue rising by 14.8% and expenses by 15.5%.

It should be noted here that from the \$22,452,000 balance of revenue we transferred \$7,000,000 to accumulated appropriations for losses, or \$1,000,000 more than last year, and put aside \$7,237,000 as provision for income taxes. This left a balance of profits of \$8,215,000 for the year. Earnings per share were \$1.17, compared with \$1.08 the previous year.

Out of this balance of profits, \$5,599,000 in dividends for shareholders were declared, for an increase of 19.9% over dividends paid out in 1971. Our shareholders have therefore received 80 cents per share, against 72 cents the previous year.

In addition, we have taken advantage of the excellent condition of our accumulated appropriations for losses to transfer \$8,000,000, tax-paid, to our Rest account. Following this transfer, accumulated appropriations for losses now stand at \$33,181,000, compared with \$34,077,000 last year. Our Rest account now totals \$76,000,000, up 17.1% over the previous year.

If we add to this amount in the Rest account the par value of shares issued and fully paid, along with undivided profits, we see that total shareholders' equity rose to \$90,114,000 as of last October 31, representing an increase of \$10,744,000 or 13.5% over 1971.

Finally, when we add to this shareholders' equity the \$20,000,000 debenture issue of last March and the \$25,000,000 in debentures to be issued tomorrow, December 15, the Bank finds itself with total capital funds of more than \$135,000,000, representing 5% of its total assets.

Any description of the Bank's operations would obviously be incomplete without a few comments about Chargex. As you undoubtedly know, Chargex is growing all the time and is rapidly becoming the most popular credit card in the country. Some observers have joined in predicting the advent of a "cashless society" within about 10 years. The day when banking transactions will be entirely carried out by computers is, therefore, probably not as far away as generally thought. We should also expect to see the Chargex card increasing greatly in popularity over the coming years, thus providing the Bank with far from negligible additional revenues.

While we are speaking about companies set up entirely or in part by the Bank, I would like to say a few words about a still youthful company, Canagex, and another even more recent one, ImNat.

ImNat Ltd. was created some months ago in order to extend the Bank's sphere of activities in the mortgage loan sector. This is an area of the money market which has grown substantially over the past few years, and the Bank has already begun to share in the fruits of this growth. A few minutes ago I mentioned to you our very strong growth in mortgage loan business during 1972. We are fully aware that this type of financing, as well as improving our Bank's revenues, makes an important contribution to the economic development of several areas which we serve. As an example, this year we have been honoured to be chosen to finance several projects of major importance, whose construction will accelerate the economic growth of the regions concerned.

We have every reason to expect that the mortgage loans market will continue to grow at a rapid rate next year, and the contribution made by ImNat will enable us to share even more actively in this business.

Although it came into being a mere three years ago, the Canagex Limited mutual fund has already shown truly remarkable vigour and growth. It now offers the public two additional investment funds: the Canagex Bond Fund, a fixed income investment fund, and Canagex International, with investments in foreign securities. Canagex can thus now better meet the increasingly greater investment demand in the bonds sector, and all indications are that this effort has been a success: assets of the Canagex Group have doubled in the past year. Canagex has every reason to be proud that its growth has far outstripped that of all its competitors.

There you have what our Bank has accomplished so far. Now, I would like



to give you a brief glimpse of our future. The "banking business" is growing at an ever faster rate, and we are well aware of the importance of planning to meet future conditions. We aim to continue the rapid progress already set in motion, and we know that to maintain this momentum we must constantly improve the quality and quantity of services offered to our customers. We must continue to improve our working methods, more and more making use of modern equipment such as computers. In other words, we must be up-to-the-minute in every way. Our data processing service has already accomplished a task of considerable magnitude, by providing automatic handling of all deposit certificate transactions as well as for a good part of current account and savings account operations. Due equally to the vast capabilities of our computers and the people who so skilfully programme them, our BCN Payroll Service has expanded remarkably during 1972. We are now perfecting an original programme of budgeting by computers which we expect to have in operation in 1973.

In order to stay in the forefront of progress and to keep pace with a world constantly and rapidly moving ahead, it is obvious that we need the most competent personnel. That is why the Bank attaches such importance to recruiting and training its staff. In the days ahead, as at this moment, one of our primary preoccupations will always be the training of a topnotch team which will allow us to stay in the vanguard of progress. Because it is undeniably true that a business enterprise can only progress in measure with the quality of the people it has working for it.

During the next few years we shall also continue to expand our network of branches, including the opening of several offices outside Quebec, thus extending the Bank's activities. Needless to say, sound studies of feasibility and profitability will precede each branch opening, as has been our custom in the past.

Last year, I told you that the Bank had commenced to regroup its branches by districts. This programme has been carried out actively during the year, and we expect to complete it in 1973.

Once our branches have been regrouped in this manner, the Bank will have a useful tool in its hands to carry out future projects. Each district will be given special consideration according to its particular characteristics, making it easier from now on to know which sectors require immediate attention. As a corollary and supporting arm for this reorganization by districts, our

completely new Corporate Credit Development Department will be charged with increasing the number and volume of large commercial and industrial accounts. The new service will work closely with our district managers, department supervisors and branch managers, in order to stimulate and assist new business solicitation.

There is every reason to believe that the economic expansion already underway in Quebec will pick up steam during 1973 and 1974. Such developments as the James Bay hydro project or the north-south pipeline will play a major role in Quebec's future economic growth, and I can assure you that BCN intends to take the most active part possible in this expansion and progress.

In conclusion, I have the most pleasant task of extending the warmest thanks to all members of our BCN staff for the marvellous work they have done during the 1972 financial year. Without the proficiency and devotion to duty shown by each and every one, it would most certainly not have been possible to present you today with such encouraging results for the year just ended. Thank you, and congratulations to all.



# Statement of revenue, expenses and undivided profits

for the financial year ended October 31, 1972

Revenue	1972	1971
Income from loans . . . . .	\$112,279,745	\$100,644,383
Income from securities . . . . .	46,112,610	35,188,097
Other operating revenue . . . . .	16,214,666	16,227,268
Total revenue . . . . .	<u>\$174,607,021</u>	<u>\$152,059,748</u>
 <b>Expenses</b>		
Interest on deposits and bank debentures . . .	\$ 90,330,354	\$ 76,144,822
Salaries, pension contributions and other staff benefits . . . . .	38,834,103	35,703,392
Property expenses, including depreciation . . .	10,125,941	8,843,361
Other operating expenses, including provision for losses on loans based on five-year average loss experience . . . . .	12,863,948	10,995,547
Total expenses . . . . .	<u>\$152,154,346</u>	<u>\$131,687,122</u>
Balance of revenue . . . . .	\$ 22,452,675	\$ 20,372,626
Appropriation for losses . . . . .	7,000,000	6,000,000
Balance of profits before income taxes . . . . .	\$ 15,452,675	\$ 14,372,626
Provision for income taxes relating thereto . . . .	7,237,000	7,277,000
Balance of profits for the year . . . . .	\$ 8,215,675	\$ 7,095,626
Dividends . . . . .	5,599,250	4,671,139
Amount carried forward . . . . .	\$ 2,616,425	\$ 2,424,487
Undivided profits at beginning of year . . . . .	498,260	1,073,773
Transfer from accumulated appropriations for losses . . . . .	8,000,000	—
	<u>\$ 11,114,685</u>	<u>\$ 3,498,260</u>
Transferred to Rest Account . . . . .	11,000,000	3,000,000
Undivided profits at end of year . . . . .	<u>\$ 114,685</u>	<u>\$ 498,260</u>
Earnings per share . . . . .	\$ 1.17	\$ 1.08
	*	*

\*Based on the average month-end balance of fully paid up capital stock for the twelve months of the financial years (1971—6,564,703 shares; 1972—6,998,936 shares).



## Statement of accumulated appropriations for losses

for the financial year ended October 31, 1972

Accumulated appropriations for losses  
at beginning of year:

	1972	1971
General . . . . .	\$ 22,049,583	\$ 16,026,317
Tax-paid . . . . .	12,027,417	10,625,850
Total . . . . .	<u>\$ 34,077,000</u>	<u>\$ 26,652,167</u>

Additions (deductions) during year:

Appropriation from current year's operations . . . . .	\$ 7,000,000	\$ 6,000,000
Loss experience on loans less provision included in other operating expenses . . . . .	(623,508)	(854,640)
Profits and losses on securities, including provisions to reduce securities other than those of Canada and provinces to values not exceeding market . . . . .	(491,126)	4,000,480
Other profits, losses and non-recurring items, net . . . . .	1,461,582	(62,007)
Provision for income taxes . . . . .	(242,150)	(1,659,000)
Transferred to undivided profits . . . . .	(8,000,000)	—
	<u>\$ (895,202)</u>	<u>\$ 7,424,833</u>

Accumulated appropriations  
for losses at end of year:

General . . . . .	\$ 26,794,394	\$ 22,049,583
Tax-paid . . . . .	6,387,404	12,027,417
Total . . . . .	<u>\$ 33,181,798</u>	<u>\$ 34,077,000</u>

## Statement of Rest Account

for the financial year ended October 31, 1972

Balance at beginning of year . . . . .	\$ 64,897,384	\$ 54,000,000
Premium on capital stock subscriptions . . . . .	102,616	7,897,384
Transferred from undivided profits . . . . .	11,000,000	3,000,000
Balance at end of year . . . . .	<u>\$ 76,000,000</u>	<u>\$ 64,897,384</u>



# Statement of assets and liabilities

as at October 31, 1972

## ASSETS

1972

1971

### CASH RESOURCES

Cash and due from banks . . . . .	\$ 231,918,450	\$ 231,183,172
Cheques and other items in transit, net. . . . .	52,926,113	41,907,033
	<u>\$ 284,844,563</u>	<u>\$ 273,090,205</u>

### SECURITIES

Securities issued or guaranteed by Canada, at amortized value . . . . .	\$ 413,190,810	\$ 389,667,914
Securities issued or guaranteed by provinces, at amortized value . . . . .	119,774,251	89,619,043
Other securities, not exceeding market value . . . . .	221,228,057	207,039,882
	<u>\$ 754,193,118</u>	<u>\$ 686,326,839</u>

### LOANS

Day, call and short loans to investment dealers and brokers, secured . . . . .	\$ 67,896,275	\$ 115,600,128
Other loans, including mortgages, less provision for losses . . . . .	1,471,976,464	1,099,857,333
	<u>\$1,539,872,739</u>	<u>\$1,215,457,461</u>
Bank premises at cost, less amounts written off . . . . .	\$ 23,407,961	\$ 21,736,693
Securities of and loans to corporations controlled by the Bank . . . . .	4,476,300	5,009,757
Customers' liability under acceptances, guarantees and letters of credit, as per contra . . . . .	77,119,932	77,098,692
Other assets . . . . .	2,655,590	2,147,361
	<u>\$2,686,570,203</u>	<u>\$2,280,867,008</u>



**LIABILITIES****1972****1971****DEPOSITS**

Deposits by Canada . . . . .	\$ 28,348,459	\$ 54,314,607
Deposits by provinces . . . . .	18,976,350	19,888,876
Deposits by banks . . . . .	338,698,987	156,019,170
Personal savings deposits payable after notice, in Canada, in Canadian currency . . . . .	1,109,443,534	989,717,530
Other deposits . . . . .	967,941,102	868,274,505
	<u>\$2,463,408,432</u>	<u>\$2,088,214,688</u>
Acceptances, guarantees and letters of credit . . . . .	77,119,932	77,098,692
Other liabilities . . . . .	2,745,356	2,106,638
Accumulated appropriations for losses . . . . .	33,181,798	34,077,000
Debentures issued and outstanding * . . . . .	20,000,000	—

**CAPITAL**

Authorized: 12,500,000 shares of  
\$2.00 each—\$25,000,000

Issued: 7,000,000 shares fully paid . . . . .	14,000,000	13,974,346
Rest account . . . . .	76,000,000	64,897,384
Undivided profits . . . . .	114,685	498,260
	<u>\$2,686,570,203</u>	<u>\$2,280,867,008</u>

\*The debentures bear interest at the rate of 7¼% per annum up to and including February 28, 1978 and 7½% per annum thereafter. The debentures are due on March 1, 1992 subject to the right of the holder of any debenture to elect that such debenture mature on March 1, 1978. Such election may only be made from March 1, 1977 up to September 1, 1977 inclusive.

**Louis Hébert**  
President

**Auditors' Report to the Shareholders**

We have examined the statement of assets and liabilities of the Bank Canadian National as at October 31, 1972, and the statements of its revenue, expenses and undivided profits, accumulated appropriations for losses and rest account for the financial year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

**Germain Perreault**  
Chief General Manager

In our opinion, these financial statements present fairly the financial position of the Bank as at October 31, 1972, and its revenue, expenses, undivided profits, accumulated appropriations for losses and its rest account for the financial year ended on that date.

**Auditors**

JEAN VALIQUETTE, C.A.  
of Maheu, Noël, Anderson, Valiquette & Associés  
JEAN LACROIX, C.A.  
of Samson, Bélair, Côté, Lacroix et Associés  
Montréal, November 21, 1972



# Statements of assets and liabilities of controlled companies of Bank Canadian National

## Banque Canadienne Nationale (Europe)

Statement as at December 31, 1971

### Assets

Cash and due from banks and financial institutions dealing on the money market . . . . .	F.F. 43.443.524,98
Securities . . . . .	1.408.500,00
Loans, less provision for losses . . . . .	59.722.735,90
Fixed assets less depreciation . . . . .	1.362.293,41
Other assets . . . . .	4.113.135,89
	<u>F.F. 110.050.190,18</u>

### Liabilities

Deposits . . . . .	F.F. 35.504.881,61
Amounts due to other banks and financial institutions dealing on the money market . . . . .	60.866.383,45
Other liabilities . . . . .	2.815.899,97
Capital stock authorized and issued: 40,000 shares of F.F. 250 each . . . . .	10.000.000,00
Reserves . . . . .	805.188,27
Undivided profits . . . . .	57.836,88
	<u>F.F. 110.050.190,18</u>

**Note** Bank Canadian National owns 60% of the capital stock of this controlled company, including the directors' qualifying shares.

As at December 31, 1971, this investment was carried on the books of the Bank at \$1,090,800.

## Compagnie Immobilière BCN Ltée

Statement as at October 31, 1972

### Assets

Cash in bank . . . . .	\$ 1,335
Income taxes to be recovered . . . . .	37,530
Real estate and rights in an emphyteutic lease, less depreciation . . . . .	3,466,386
	<u>\$3,505,251</u>

### Liabilities

Loan from Bank Canadian National . . . . .	\$1,305,000
Capital stock authorized and issued: 20,000 shares of \$100.00 each . . . . .	\$2,000,000
Undivided profits . . . . .	200,251
	<u>2,200,251</u>
	<u>\$3,505,251</u>

### Notes

(1) Bank Canadian National owns the entire capital stock of Compagnie Immobilière BCN Ltée, with the exception of the directors' qualifying shares. This investment is carried on the books of the Bank at \$1,999,500.

(2) The Company has been assessed for income taxes for the years 1965 to 1968 inclusively the basis of which is presently under appeal. However the Company has won its appeal for the year 1964 but the Minister has appealed that decision to a higher court. In the event the Company is not successful in its claim additional taxes for the assessed years and subsequent years could amount to approximately \$172,000 for which no provision has been made.

### Auditors' Report to the Shareholders of Bank Canadian National

We have examined the statements of assets and liabilities of controlled companies of Bank Canadian National as at the dates indicated. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these statements present fairly the financial position of the companies as at the dates indicated.

### Auditors

JEAN VALIQUETTE, C.A.  
of Maheu, Noël, Anderson, Valiquette & Associés  
JEAN LACROIX, C.A.  
of Samson, Bélair, Côté, Lacroix et Associés  
Montréal, November 21, 1972



## Return showing the source and utilization of the dollar

Revenue	
Income from loans	64.3%
Income from securities	26.4%
Other operating revenue	9.3%

Expenses	
Interest on deposits and debentures	51.7%
Salaries, pension contributions and other staff benefits	22.2%
Property expenses including depreciation	5.8%
Other operating expenses	7.4%
Appropriation for losses	4.0%
Provision for income taxes	4.2%
Dividends	3.2%
Amount carried forward	1.5%

## Assets

(in millions of dollars)

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972
2700										
2600										
2500										
2400										
2300										
2200										
2100										
2000										
1900										
1800										
1700										
1600										
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1000  
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\*

\*1965 profits adjusted to a 12-month period.



# Statistics for the past 10 years

(in thousands of dollars)

## Assets and Liabilities

	1972	1971	1970
<b>Assets</b>			
Cash. . . . .	284,844	273,090	249,789
Securities. . . . .	754,193	686,327	496,474
Loans. . . . .	1,539,873	1,215,458	1,073,895
Bank premises (net) . . . . .	23,408	21,737	20,719
Acceptances, guarantees and letters of credit. . . . .	77,120	77,099	62,246
Other assets. . . . .	7,132	7,156	4,855
<b>Total. . . . .</b>	<b>2,686,570</b>	<b>2,280,867</b>	<b>1,907,978</b>
<b>Liabilities</b>			
Deposits. . . . .	2,463,408	2,088,215	1,748,704
Acceptances, guarantees and letters of credit. . . . .	77,120	77,099	62,246
Other liabilities. . . . .	2,745	2,106	3,302
Accumulated appropriations for losses. . . . .	33,182	34,077	26,652
Debentures issued and outstanding. . . . .	20,000	—	—
Shareholders' equity. . . . .	90,115	79,370	67,074
<b>Total. . . . .</b>	<b>2,686,570</b>	<b>2,280,867</b>	<b>1,907,978</b>

## Statement of Accumulated Appropriations for Losses

<i>Accumulated appropriations at beginning of year. . . . .</i>	<b>34,077</b>	26,652	26,746
<i>Additions (deductions) during year:</i>			
Appropriations from current year's operations. . . . .	7,000	6,000	7,700
Loss experience on loans less provision included in other operating expenses. . . . .	(624)	(855)	(373)
Profits and losses on securities, etc.. . . . .	(491)	4,001	(3,307)
Other profits, losses and non-recurring items, net. . . . .	1,462	(62)	(1)
Provision for income taxes. . . . .	(242)	(1,659)	(4,113)
Transferred to undivided profits. . . . .	(8,000)	—	—
	(895)	7,425	(94)
<i>Accumulated appropriations at end of year:</i>			
General. . . . .	26,794	22,050	16,026
Tax-paid. . . . .	6,388	12,027	10,626
<b>Total. . . . .</b>	<b>33,182</b>	<b>34,077</b>	<b>26,652</b>
Number of employees. . . . .	5,761	5,448	5,294
Number of branches. . . . .	366	363	359

## NOTE

Figures for the financial years 1963 to 1966 inclusive have been reclassified in accordance with stipulations of the new Bank Act, ratified March 23, 1967.

1969	1968	1967	1966	1965	1964	1963
175,922	141,345	142,574	159,491	146,370	145,796	127,451
415,174	409,493	332,878	277,145	250,261	240,990	243,512
998,105	832,980	736,259	682,821	665,405	577,025	537,177
19,248	18,181	14,366	13,851	13,303	14,037	12,093
56,551	5,035	4,658	3,188	7,042	2,555	2,088
6,625	4,484	4,343	4,531	4,010	2,093	1,168
671,625	1,411,518	1,235,078	1,141,027	1,086,391	982,496	923,489
518,148	1,314,898	1,144,053	1,054,879	997,808	899,079	844,730
56,551	5,035	4,658	3,188	7,042	2,555	2,088
5,421	2,810	3,043	2,764	2,366	3,330	2,600
26,746	25,788	21,877	20,205	20,397	19,866	17,705
—	—	—	—	—	—	—
64,759	62,987	61,447	59,991	58,778	57,666	56,366
671,625	1,411,518	1,235,078	1,141,027	1,086,391	982,496	923,489
25,788	21,877	20,205	20,397	19,866	17,705	16,267
5,500	3,500	2,600	662	380	351	964
99	585	157	81	419	472	255
(2,508)	(212)	(1,145)	(1,123)	(274)	1,323	182
804	38	60	188	6	15	37
(2,937)	—	—	—	—	—	—
—	—	—	—	—	—	—
958	3,911	1,672	(192)	531	2,161	1,438
19,429	21,772	17,997	16,290	16,670	16,138	15,554
7,317	4,016	3,880	3,915	3,727	3,728	2,151
26,746	25,788	21,877	20,205	20,397	19,866	17,705
5,228	5,124	4,967	5,011	4,794	4,627	4,473
350	346	344	340	333	321	308



## Statistics for the past 10 years

(in thousands of dollars)

### Revenue, Expenses and Undivided Profits

	1972	1971	1970
<b>Revenue</b>			
Income from loans . . . . .	112,280	100,644	96,406
Income from securities . . . . .	46,113	35,188	32,155
Other operating revenue . . . . .	16,214	16,227	16,964
Total Revenue . . . . .	174,607	152,059	145,529
<b>Expenses</b>			
Interest on deposits and bank debentures . . . . .	90,330	76,145	73,239
Salaries and other fringe benefits . . . . .	38,834	35,703	32,503
Property expenses, etc. . . . .	10,126	8,843	7,998
Other operating expenses . . . . .	12,864	10,996	10,236
Total Expenses . . . . .	152,154	131,687	123,976
Balance of revenue . . . . .	22,453	20,372	21,553
Appropriation for losses . . . . .	7,000	6,000	7,700
Balance of profits before income taxes . . . . .	15,453	14,372	13,853
Provision for income taxes . . . . .	7,237	7,277	7,218
Net profits . . . . .	8,216	7,095	6,635
Dividends . . . . .	5,599	4,671	4,320
Amount carried forward . . . . .	2,617	2,424	2,315
Undivided profits at beginning of year . . . . .	498	1,074	759
Transfer from accumulated appropriations for losses . .	8,000	—	—
	11,115	3,498	3,074
Transferred to Rest account . . . . .	11,000	3,000	2,000
Undivided profits at end of year . . . . .	115	498	1,074
<b>Additional Information</b>			
Number of shares (in units) . . . . .	6,998,936 <sup>(1)</sup>	6,564,703 <sup>(1)</sup>	6,000,000
Earnings per share (in dollars) . . . . .	1.17	1.08	1.11
Dividends per share (in dollars) . . . . .	0.80	0.72	0.72
Rest account per share (in dollars) . . . . .	10.86	9.89	9.00

(1) Weighted average of shares.

(2) Adjusted on basis of 5 for 1 stock split in 1967.

1969	1968	1967	1966	1965	1964	1963
(11 months)						
75,177	57,614	43,986	40,598	33,934	32,809	29,751
25,805	21,122	15,499	12,301	9,844	10,454	9,632
17,218	14,626	12,900	9,709	7,533	7,722	7,392
118,200	93,362	72,385	62,608	51,311	50,985	46,775
53,679	37,680	25,642	22,641	17,198	16,339	14,631
30,060	26,563	22,552	20,410	16,955	16,433	14,871
7,422	6,645	4,922	4,483	3,865	3,880	3,509
9,590	8,393	7,004	5,511	4,858	5,117	4,810
100,751	79,281	60,120	53,045	42,876	41,769	37,821
17,449	14,081	12,265	9,563	8,435	9,216	8,954
5,500	3,500	2,600	662	380	351	964
11,949	10,581	9,665	8,901	8,055	8,865	7,990
6,217	5,561	5,029	4,628	4,183	4,785	4,285
5,732	5,020	4,636	4,273	3,872	4,080	3,705
3,960	3,480	3,180	3,060	2,760	2,880	2,649
1,772	1,540	1,456	1,213	1,112	1,200	1,056
987	447	991	778	666	466	210
—	—	—	—	—	—	—
2,759	1,987	2,447	1,991	1,778	1,666	1,266
2,000	1,000	2,000	1,000	1,000	1,000	800
759	987	447	991	778	666	466
6,000,000	6,000,000	6,000,000	6,000,000 <sup>(2)</sup>	6,000,000 <sup>(2)</sup>	6,000,000 <sup>(2)</sup>	5,753,105 <sup>(1-2)</sup>
0.96	0.84	0.77	0.71	0.70	0.68	0.64
0.66	0.58	0.53	0.51	0.46	0.48	0.46
8.67	8.33	8.17	7.83	7.67	7.50	7.63



## Men you can count on

You'll find them wherever you find BCN. In large urban centres. In average-sized cities and towns. In tiny, isolated hamlets.

Who are they? The BCN branch managers, all 366 of them: the pillars upon which our Bank is built, the major sources of its strength. Yet, how can we paint a composite portrait of the BCN branch manager, each so different?

In the minds of some people, perhaps, a bank manager is austere, aloof, devoid of feelings: calculating risks with cold, computer-like efficiency before granting a loan.

Others, especially in the smaller centres, may see the bank manager as a respected and honourable member of the local elite, along with the mayor, the doctor, the lawyer, the notary and the parish priest. As such, he is an integral part of the community's social, cultural and recreational life.

Perhaps there is a bit of truth in each viewpoint, something of both in the man. Let's look at the first image. It would be difficult to imagine a bank manager as a poet, a playboy with a flower in his buttonhole, treating financial matters as a joke. He has no choice: he must be a practical, serious administrator. Man cannot live by bread, or love, alone. Girls no longer bring a dowry of cattle to their wedding. Nobody barter vegetables for hides or wool to make clothes. Money is the key today, so the bank manager plays an important role in everyone's life. We entrust him with our financial matters, feeling that he will handle them with the greatest skill and care.

As for the second, it is not merely by chance that the bank manager is considered a solid member of the local elite in many communities. He also, in his fashion, is often present in spirit at life's important milestones: birth, marriage, death. His services, his knowledge, his



advice, are called upon under happy, sad or unexpected circumstances. His is a great responsibility, yet the bank manager is but a man like anyone else. He has contributions to make through his professional and private life alike. BCN has 366 branch managers. Each has his own personality and approach to life, but all share one characteristic in common: they are men you can count on.

We cannot possibly let you meet all of them here, but we can give you a glimpse of the lives led by two of our branch managers who work in two widely differing localities. You think of them sitting in their offices. We show you them in an entirely different light.

### **"Kingdom of the Saguenay" ... a timeless land**

Viewing the wild, awe-inspiring natural beauty of this region, and its proud and passionate people, many have said: "Nothing ever changes in the land of the Saguenay. The surge of progress which has stirred Quebec over the past few years has been felt there also, but the external appearance is unchanged." As in Cartier's days, the Saguenay River still roars and tumbles through the mountains, carrying the black waters of Lake St. John to the mighty St. Lawrence. In this savage and forbidding country, so

long isolated by its geographical location, a different breed of people has been moulded. These "Saguenéens" are a happy breed, frank and plain-speaking, cross-your-heart sincere. They are proud, yet modestly shy, dynamic in action, speaking a very distinct French dialect which is a delight to hear.

Descendants of the sturdy woodsmen and farmers who first mastered this challenging land are today skilled workers plying their trades in the large mills and factories which have sprung up here and there. This region has also known its exodus of educated youth, who preferred life in the great cities. But not all have left. Firmly attached to their lovely land, they have chosen to carry on the age-old tradition.

### **A typical "Saguenéen"**

One such is Clément Dallaire, manager of the BCN branch in Kénogami. This 36-year-old native of Jonquière has known no other employer than Bank Canadian National, and no other home except the region in which he was born. He joined BCN in 1954, truly working his way up the ladder from cashier to accountant, before becoming manager of the Kénogami branch four years ago. His BCN career has seen him working devotedly in Jonquière, Port Alfred, Chicoutimi and Kénogami.





Son of a farmer, one of a large family, he learned about life the hard way. The knowledge came early that you must work for the pleasures and satisfactions you desire. During his latter years in college, while his classmates could enjoy the luxury of taking life easier, he had to get up at four o'clock in the morning to help with the farm chores and then start off on the long walk to school.

While he harbours no resentment over these difficult years he had to endure, it is quite easy to understand why today he devotes so much time and energy to his family.

### Organization is everything

When you think of Clément Dallaire, think of a young man who is well organized, active, who knows how to make the most efficient use of each and every minute, neglecting nothing. He knows how to balance his working activities and his family life, actively helping his wife with the upbringing of their five children.

He is vice-president of the Richelieu-Kénogami Club, as well as a member and past president of the local Chamber of Commerce.

Keenly interested in education, he is president of his district school committee. A firm believer in physical fitness, he keeps in shape by playing hockey faithfully once a week so as not to be outdone by his sons, who star on the local youth hockey scene. Yet, with all his activities, he somehow found the time last year to start up a ski centre at Mont Fortin on the outskirts of Kénogami. He spends his spare time with his family: camping in summer, snowshoeing, hockey and skiing in the winter. Clément Dallaire strongly believes in the importance of family life, as well as in the great value of sports to protect his children from the dangers facing today's youth. This healthy philosophy of life has had convincing results. As proof, you only need to look at his children, problem-free and thoroughly enjoying



life in the company of their parents.

### Motivated by pride

Over and above his personal life which seems so well-rounded and satisfying, our branch manager in Kénogami is justifiably proud of his achievements on the professional level. Everything moves along smoothly and briskly in his little bank branch realm. Since he arrived four years ago, he has succeeded in doubling business volume at the branch, still with the same total personnel of 11.

He is also extremely proud of BCN, and is happy to list the accomplishments of the Bank over the past few years. He points with pleasure to its present active and dynamic image as an institution solidly rooted in its milieu.

Not the least of Clément Dallaire's many causes for pride is his all-new branch in the Kénogami business centre. It's yet another feather in his cap, since he himself supervised the renovation in 1970.

### Always room for the human touch

Treating people with respect is the golden rule of the BCN branch manager in Kénogami.

That's not just a highflown principle, but a way of daily life with him. He had a special opportunity to put it into practice during last spring's Saint-Jean-Vianney

disaster. At such tragic times as that, a bank manager must demonstrate his concern for humanity and yet reconcile divergent interests. Clément Dallaire found no apparent difficulty in balancing the scales and, judging from the results, his approach seems to have been the right one.

But now we must leave the fabled Kingdom of the Saguenay to visit St. Hyacinthe. There, another BCN branch manager in his own unique way is writing new chapters every day in a story so typical of so many other BCN managers.

### From Kénogami to St. Hyacinthe: 'Twixt the river and the forest

Your first impression of him is one of extreme affability. Between replies to questions, he stopped a passing youngster to ask about his health, tease him a little, then send him on his way with his playmates.

Jean C. Lanoix welcomed us at the St. Hyacinthe Health Camp in Contrecoeur, along with his wife and the camp director, Claude Laroche. The manager of the BCN branch on Girouard Street in St. Hyacinthe briefly reviewed the history of the camp, of which he is President. "The camp was founded in 1940 by the St. Hyacinthe Anti-Tuberculosis League," he explained. "At the time, the death rate from tuberculosis was especially high in St. Hyacinthe, because of inadequate and overcrowded housing, unsanitary conditions in many factories and, particularly, because of ignorance in hygienic matters. The camp opened its doors in 1941, receiving 70 children selected from among the poorest in the city, those from large families, and those with family histories of TB."

"Over the years," he continued, "the Health Camp's objectives have changed somewhat. Today, its main aim is to provide vacation opportunities for the most underprivileged youngsters here in St. Hyacinthe."

At this point, the camp director added: "The children whom we receive at Contrecoeur do not necessarily come from poverty-stricken families but they are very often underprivileged on the emotional level. Discipline is not too severe. We want to help them in finding emotional stability, get them participating in various activities, help them to integrate socially." The great freedom which the youngsters enjoy has results which are a joy to see. In the wide-open spaces stretching from the river to the forest, wide-eyed city children learn the mysteries of botany, meteorology and Nature's many other wonders, in company with their monitors and counsellors.

Why did a busy man like Mr. Lanoix become so closely involved with the





camp? He explains: "It seems to me that to be a complete person you must give of yourself in a social sense, in addition to your regular work. You must be useful to those around you, serve your community, and, above all, help the underprivileged. In my view, there are three types of people who need special help: children, the ill and disabled, and the aged people. I have chosen to work with children, because I feel that they are more vulnerable and less able to defend themselves against life."

Sandwiched between his visits to the Contrecoeur camp, an occasional round of golf, or swimming, Mr. Lanoix devotes another part of his "leisure" hours to the St. Hyacinthe Industrial Development Corporation, which he founded in 1970. He was President of the organization in 1970 and 1971, and then Treasurer until the spring of 1972. He is now a member of the Corporation's Board of Directors and chairman of the finance committee, a duty less demanding of his time. As he explained, "these activities involved too much work and left me too little time to spend with my family."

The Industrial Promotion Corporation has had its own office and secretarial staff since December, 1971. It has an annual budget of about \$50,000, which allows it to prepare brochures and run

advertisements in the large daily papers and financial journals advising prospective occupants of the many advantages offered by the St. Hyacinthe industrial park.

This Corporation is the first in Quebec to group several municipalities in a common effort: St. Hyacinthe, Providence, St. Joseph and Douville. Just recently, it cleared the way for an industry already established in the park, Bright's Wines, to expand its plant. It also helped another winemaking company, Calona, to establish itself in the industrial park.

#### **At the bottom of the hill, the market . . .**

The branch which Mr. Lanoix manages is one of BCN's largest outside of Montreal. It is located right in the heart of downtown St. Hyacinthe, facing Dessaules Park, near city hall and the courthouse.

Not far away, at the bottom of des Cascades hill, lies the St. Hyacinthe farmers' market. Mellowed by half a century's weather, this attractive building over the years has hosted a steady parade of farmers offering their country-fresh fruit and vegetables for sale.

The soil in the St. Hyacinthe region is rich and very fertile, and the city is the hub of

one of the most prosperous market garden areas in Quebec.

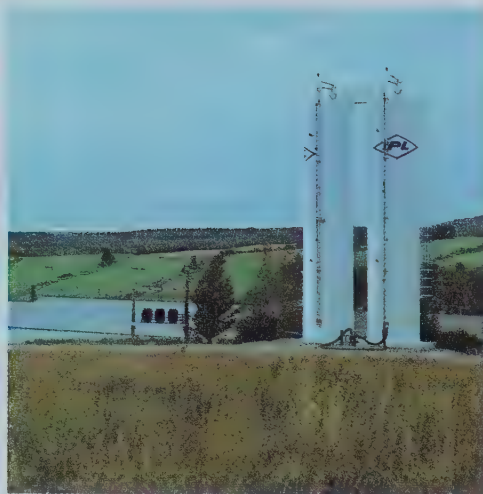
Mr. Lanoix often visits the market with his wife. Leisuredly, matching the relaxed pace of the country people around them, they stock up on fruit, vegetables, fish and dairy products, all the while exchanging friendly words with the farmers and their wives.

Oftentimes, these country people are customers at his branch. BCN, from its beginnings, has always extended financial support to farmers needing it. This has made it possible for some of them to continue bringing their fine fruit and vegetables every week to the St. Hyacinthe farmers' market, one of the last of its kind in Quebec.

At the height of the summer, eager customers cluster thickly around some 60 stalls where farmers display their products. During this friendly invasion of the city by its country cousins, Mr. Lanoix's eyes perhaps light up with a special dream. In his mind's eye he can see the city's underprivileged youngsters in their little garden at Contrecoeur, awed by the mystery of seeds germinating and life springing from the abundant earth. They learn respect for the land, discover new values. For these children, the efforts of Mr. Lanoix have already borne fruit in rich measure.



## The "BCN Villages"



No, BCN isn't going into competition with the Club Méditerranée. A "BCN Village" is not some new kind of vacation resort. It is a place where we play an active role. What we call a "BCN Village" is any prosperous Quebec community which perhaps might have withered off the map if BCN hadn't extended a helping hand at the crucial moment.

As examples, we have selected two communities where BCN's financial assistance made it possible for Quebecers to build up prosperous businesses for themselves: St. Damien, with its plastics plant; and Portneuf, with synthetic fibres.

### St. Damien de Bellechasse/ Plastics Win the Day

The day-by-day life in St. Damien de Bellechasse might seem very ordinary to the uninitiated observer. The same events repeat themselves with almost clocklike regularity. The onlooker would be tempted to believe that nothing eventful ever happens in this quiet village . . .

Almost all the jobs in this community of some 2,000 souls, 450 families, are provided by just two employers. A religious institution employs 200 people, and another 250 work for Les Industries Provinciales Limitée.

There's nothing unusual in that, so far,

except that Les Industries Provinciales Limitée (IPL) is one of the leaders in the Canadian plastics industry. IPL products are sold from coast to coast in Canada, and they are no mean world travellers. They are currently being shipped to the United States, Great Britain, Sweden, West Germany and South Africa.

### The Blacksmith's Son a Mighty Man Was He!

The story all began in a blacksmith's shop, such as in days past could be found in every village. There, 33 years ago and without fanfare, was born the fledgling enterprise which was to grow into today's lusty Les Industries Provinciales Limitée.

Plastics were virtually an unknown quantity at the time. Industry had not yet entered the era of synthetics. It was 1939. The world was at war. In St. Damien, Mr. J. Émile Métivier set up a broom factory in his father's blacksmith shop. The timing was good, to fill a need which arose out of the war. Over the years which followed, this ambitious little St. Damien industry was to become the major supplier of brooms to the Canadian Army.

At war's end, however, the broom maker was faced with a dilemma. Signing of

the armistice deprived him of a major part of his market. The only solution was to diversify his operations. So, Mr. Métivier began to manufacture brushes of all kinds, including tooth-brushes. Since the latter had plastic handles, the factory had to be equipped to work with this material.

Government subsidies helped the industry to launch itself on this new road.

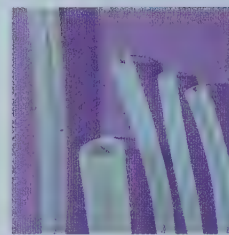
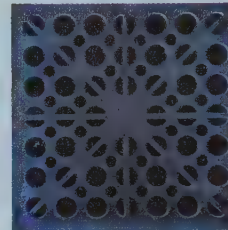
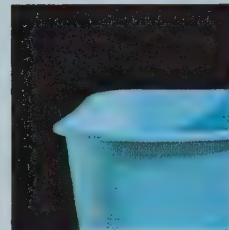
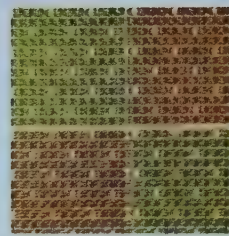
### The Years Unroll

IPL, to this day, is entirely owned by the Métivier family. The founder's four sons share the work, and are the sole shareholders in the company. René is President, Benoît and Julien are Vice-Presidents, Clément is Secretary.

IPL today markets some 700 different products, each year adding about 50 new ones to the line. The firm makes articles for domestic, commercial and industrial use: a range of products as varied as a 10-cent drinking glass and the sleek cowling for the latest model snowmobile.

The company's present investments in buildings, moulds and machinery now total \$3½ million. According to management forecasts, that figure should double in the next five years, along with the number of employees.





The old smithy has now disappeared in the welter of new buildings which have been added one after the other over the years. Broom making has now become a relatively minor part of the operations. Although the company at times has thought of abandoning it, broom making has been retained as a sentimental souvenir of early days.

The broomcorn and wooden broomsticks have given way to plastics, which are processed at IPL by injection and extrusion moulding. The new family management team, with its youth and dynamic qualities, has brought in various associates, who work with them in the search for new ideas and products.

### A Smashing Success

These new ideas have allowed IPL to soar to new heights. The company's business volume increased by 600 per cent in just 10 years, and sales in 1970 reached \$5 million. Factory space was tripled that same year, and the company acquired a 2,700-ton injection press, one of the largest in the world. This huge machine had to be dismantled into three sections, which were transported to the factory by a huge tractor-trailer truck.

### If BCN Had Not Been There . . .

Back of all these achievements lay great

helpings of inventive genius, creative imagination, boldness and strenuous work, all vital prerequisites for building a large and successful industry.

But all the talents and efforts of the men involved would have gone for naught without capital. This is where BCN came in. In 1960, on the threshold of what was to be its fabulous decade, IPL was searching for capital to finance its gigantic expansion plans. At this crucial point in its history, IPL turned to BCN and the unusual story began to unfold. The prosperity of the people of St. Damien and the great IPL trucks which tirelessly travel Canada's highways amply illustrate the invaluable contribution which a financial institution can bring to a community.

### From Plastics to Paper

Now, imagine paper in all its infinite forms. Paper in small, large and huge sheets of every colour. Paper in rolls, in stacks. Packing cases full of paper: bathroom tissue, paper napkins, filter paper. Wall coverings of fibre glass and plastic. Paper which looks like paper, and paper in disguised form. The list could never be complete, since even the manufacturer, J. Ford & Co. Limited of Portneuf, finds it impossible to calculate exactly how many products it puts

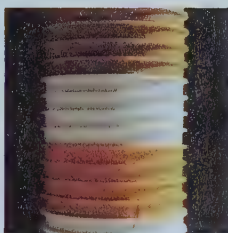
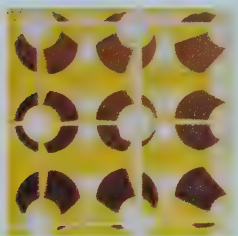
on the market. Better just to lump the products under three main classifications: paper for domestic use, such as bathroom tissue; commercial papers, such as those used for packaging; and industrial paper products, used for wall and floor coverings.

What is the connection between Les Industries Provinciales Limitée of St. Damien and J. Ford & Co. Limited of Portneuf? Simply this, that both are flourishing family firms implanted solidly in the province, and whose survival is vital to the health, even the existence, of the surrounding communities. In one case we have seen, and in the other we will shortly learn how the co-operation of BCN has been a major factor of success.

### A Matter of Survival

If the Ford mills should ever close, very few of its workers would be able to find employment in the neighbouring communities of Portneuf and Portneuf Station, which together have a combined population of slightly less than 3,000. It seems easy enough to prove the truth of this statement, made independently by various experts. J. Ford & Co. Limited employs 400 people, thus directly providing a livelihood for 40 percent of the area's population. In-





tomed; and then there are the totally unexpected ones which take even the most experienced of papermen by surprise.

In 1963, the J. Ford mill achieved record levels in production, sales and profits. It was employing more than 300 people. Things never had looked rosier, but suddenly there was a disappointing letdown. Ford's largest customer, who had provided an assured market for 20 percent of the mill's production, suddenly decided to build its own paper mill. At one stroke, sales plummeted by more than a million dollars.

The following year was no easier. The President died, and his successor resigned. Upon taking over in 1965, today's President was faced with a truly demoralizing situation. Several employees were discharged, and some others thought of packing up and leaving Portneuf as doubts and fears swept the village.

### At BCN, a Friendly Ear

But the new President did not panic. His major task was to convince the financial institutions to continue supporting his company.

After knocking at several doors, he finally found a sympathetic hearing at BCN, which from that time on has played a highly beneficial role in Portneuf.

It could be said, possibly, that by its assistance at that time, BCN staved off a population exodus which could have resulted in a "ghost village".

### Perhaps the best is yet to come

J. Ford & Co. Limited is once again a going concern. The Portneuf paper mill today is planning and carrying out the most sophisticated projects. Little by little, the industry is moving away from wood, although still vitally important, in the dream of finding new products, of still unsuspected uses, based upon synthetic fibres.

As was the case with IPL, J. Ford & Co. Limited made an important investment in 1970, with its acquisition of the world's largest "ROTOFORMER" machine. Now known as the No. 6 machine in the Portneuf mill, it can produce sheets and rolls of paper up to 158 inches wide. Its most remarkable advantage is that it can manufacture paper from synthetic fibres. This machine, which cost \$3,000,000, gives the firm great hopes for the future in the development of highly technical products.

In every Portneuf and every St. Damien throughout the Province of Quebec, there is a BCN branch whose manager is ready to lend a willing ear and a helpful hand whenever needed to keep a community's hopes from withering. These, then, are the "BCN Villages".

directly, at least 90 percent of the residents depend upon Ford business in one way or another. All other local businesses and industries, combined, employ but 200 people.

### Birth of a Dynasty

In 1850, an 18-year-old Englishman named Joseph Ford disembarked at Quebec City after an arduous voyage across the Atlantic as an impoverished steerage class passenger. Exhausted by the ordeal, and penniless, he sought refuge with the English-speaking Angus MacDonald family in Portneuf, where MacDonald and a compatriot, Alexander Logan, had been running a paper mill since 1833. There and then, the destiny and the dynasty of Joseph Ford began to unfold.

A few years later, in 1868, the young immigrant had risen to the top of the company. Following Angus MacDonald's death, he succeeded him as Alexander Logan's associate. But in a short time, after several financial setbacks, the partners were faced with bankruptcy. The Logan and Ford mill was acquired by Canada Paper Co. in 1872. By 1886 it had returned to the hands of Joseph Ford, who had remained with the firm as a manager during the intervening years. He and his two sons, Joseph and

Thomas, became owners of the mill. On the elder Ford's death in 1912, the sons became sole owners.

In 1930, the firm adopted its present name of J. Ford & Co. Limited. Today, it is managed by fourth and fifth generation members of the family. The current President, who took over in 1965, bears the name of the firm's founder, a name shared by several of his predecessors in this unusual dynasty built upon Quebec's forests.

### Hope Under Adversity

Not everything is easy in an industry of this type. Remoteness from large population centres in itself is a source of problems. For one thing, the head of such an enterprise cannot always find the qualified and specialized workers he needs in the mill area. A job opening is often unfilled for a year at a time, while the search goes on for the ideal candidate who also is willing to establish himself in a provincial village. Another problem, and a not inconsiderable one, is transportation. The mill owner must assume the costs of transporting the raw material to the site, and then the costs of shipping the finished products to the distribution centres.

There are these permanent difficulties to which the operator becomes accus-



## BCN blends with the scene

Ste. Adele, so typical of the famed Laurentian playground north of Montreal, is a haven of poetic beauty just brief minutes from the plodding asphalt prose of the smoky, polluted city. A haven of pure, fresh air, sparkling sunshine and mystic mountains.

It is a symphony of enticing little villages, charming chalets clinging to the mountain flanks, ski hills, hotels, restaurants to which fun-seeking visitors direct themselves. It's one of Quebec's largest recreational centres . . . a mecca for city dwellers wishing to get away from the humdrum on weekends and vacations, whatever the season. Above all, it's also a delightful place in which to live.

**Just one thing was lacking heretofore . . .** a bank to blend with the holiday mood and scene.

The word "bank" usually conjures up visions of St. James Street and Wall Street: large buildings of sombre stone and glass, aloof and dignified. If you will, the untouchable towers of high finance. About us, we see all sorts of banking establishments: old and venerable; ultra-modern; from the most modest to the most imposing. But all are more or less faithful to a certain style which makes them easily recognizable. In short, it would be difficult indeed to mistake a bank branch for a florist's shop. Then, suddenly, things changed. BCN had an inspiration, added a few imaginative touches and created an exciting new image of a bank. Appropriately enough, the holiday resort village of Ste. Adele was chosen as the site for this project, a daring departure, to say the least, for such a dignified institution as a bank.

### **. . . a relaxed kind of bank . . .**

Banks are usually very serious places. You dash in, conduct your business and dash out. They are scarcely places where you are wont to linger overlong, except maybe to talk things over with the manager.

The staff is friendly, yet somehow impersonal; the service fast and attentive, but business-like. Not a place to chat relaxed, as you would at the barber's or hairdresser's. A certain reserve is always evident.

Things are different at Ste. Adele. The BCN branch is in a beckoning white



building beside Highway 11, a charming oasis in the very heart of this friendly resort village. A bank that doesn't look like a bank, but rather like an inviting home or chalet where the skier likes to stop for warmth and companionship between runs down the slopes. Its original style of construction blends in well with the relaxing vacation mood of the surroundings. You feel the impelling urge to open the door and see what's inside.

You will not be disappointed. Inside, you sense at once that this is no ordinary bank. A wood fire crackles cheerily on the hearth, just as in the cosy chalets all around you.

Your nostrils breathe in the magic aroma of birch and maple burning in the fire-place. The walls are white, with exposed wooden beams. Soft, thick-piled carpet lies underfoot. The friendly atmosphere of a ski chalet enfolds you warmly.

Framed pictures hang on the walls, accentuating the rustic inside chimney. Dishes of candy sit invitingly on the counters. Strange as it seems, it's a real bank, offering all the regular services. Maybe the reason the staff and the customers seem so much more relaxed is due to the cheery surroundings created for them here.



It seems to have been a great success even from the strictly financial point of view. Business volume has grown constantly since the BCN branch in Ste. Adele was installed in its charming chalet setting in 1970. Perhaps the public, buffeted by the outside world's bustle, prefers to talk business in a peaceful oasis.

### **. . . the BCN Bank Premises Department . . .**

Right here would likely be a good time to say a word about the BCN Bank Premises Department, which was responsible for the interior decoration of the Ste. Adele branch. There are never any idle moments in this department. The staff, pooling their diverse skills, must undertake each year the renovation or construction of some 30 branches, as well as overseeing the maintenance of 366 existing BCN branches.

BCN is ever mindful of the good appearance of its branch premises, because it is through them that the public builds its image of the Bank. The branches, and the people in them, constitute our best advertising. No more immune to "future shock" than anyone else, BCN tries to forestall the results of the unknown by staying on the alert, always ready to innovate in step with the trends of the times. The BCN branch in Ste. Adele is an excellent illustration of this policy.

## Record of Proceedings

Record of proceedings of the Ninety-eighth Annual General Meeting of the shareholders, held at the Queen Elizabeth Hotel, 900 Dorchester Boulevard West, Montréal, on Thursday, 14th December, 1972, at eleven o'clock in the morning.

It was moved by Mr. Wilbrod Bherer, seconded by Mr. George A. Daly, and unanimously resolved, that Mr. Louis Hébert be appointed Chairman, and Mr. Yvan Desjardins Secretary of the meeting.

The Chairman welcomed the shareholders, and then declared the meeting opened. The Secretary read the notice calling the shareholders' meeting, as published in the newspapers, and certificates attesting that the following documents had been forwarded to every shareholder, within the prescribed time, according to law: a) Notice of meeting; b) a form of proxy; c) Statement recording the attendance of Directors at Board meetings; d) a copy of the Record of proceedings at the Annual General Meeting held on December 9, 1971.

The Record of proceedings at the Ninety-seventh Annual General Meeting having been mailed to every shareholder, as evidenced by the certificate just read, it was moved by Mr. Paul Racine, seconded by Mr. Lambert Lamarche, that this Record of proceedings be adopted as read and confirmed. This motion was approved unanimously by the shareholders.

On motion by Mrs. Thérèse Duranceau, seconded by Mr. Jacques Lafontaine, it was unanimously resolved that Messrs. Denys Pelletier and Irénée Sicard be appointed as scrutineers.

The Chairman then called upon the Chief General Manager to read the Ninety-eighth Annual Report of the Board of Directors. (Please see Page 7). Following Mr. Perreault's remarks, Mr. Hébert then delivered the President's Address. (Please see Page 4).

After comments had been invited from those attending, Mr. Léopold Brégent

rose to remark upon and emphasize the excellent manner in which the Ninety-eighth Annual Report of the Board of Directors had been presented. Mr. Brégent then moved, seconded by Mr. René Dupuis, that the shareholders give this Report their immediate approval. This motion was adopted unanimously.

Mr. Grégoire Girard, seconded by Mr. André A. Audette, then moved the following resolution: "That the shareholders, having noted the progress achieved by the Bank during the past financial year, congratulate all members of the Board of Directors and express their warmest thanks."

After pointing out the excellent work done by the Bank's employees during the financial year just ended, Mr. Claude Séguin, seconded by Mr. Léopold Bernier, moved that the meeting extend its most sincere thanks to the Chief General Manager, Mr. Germain Perreault, as well as to all BCN personnel.

These two motions received unanimous approval. Mr. Louis Hébert, speaking for all members of the Board of Directors, and Mr. Perreault, on behalf of the BCN employees, then thanked the movers and all the shareholders.

The scrutineers reported that 476,768 shares were present, and that 3,614,602 were represented by proxy at the meeting, for a total of 4,091,370 shares, or 58.45% of the capital stock.

On motion by Miss Jacqueline Paradis, seconded by Mr. Roger Dubois, it was unanimously resolved that Mr. J. Émile Maheu, C.A., and Mr. Jean Lacroix, C.A., be appointed auditors for the financial year ending October 31, 1973, and that their remuneration be set at a total amount of \$42,000.00, to be divided between them according to the time devoted by each to the affairs of the Bank.

It was moved by Mr. Jean Bruchési, seconded by Mr. Marcel Ducharme: "That Mr. Louis Hébert, or any other Director the Board may appoint, be authorized to act as attorney or proxy of the Bank Canadian National, with power of substitution, at any and all meetings of the shareholders of Banque Canadienne Nationale (Europe)."

It was moved by Mr. Joseph Blain, seconded by Mrs. André Brosseau: "That Mr. Louis Hébert, or any other Director the Board may appoint, be authorized to act as attorney or proxy of the Bank Canadian National, with

power of substitution, at any and all meetings of the Compagnie Immobilière BCN Ltée."

The meeting adopted these two resolutions unanimously.

Mr. Robert Matteau, seconded by Mr. Maurice De Palma, moved that the undernamed shareholders be elected Directors of the Bank, and that one ballot be cast evidencing the decision of the meeting:

MR. MICHEL BARIBEAU  
MR. J. JACQUES BEAUCHEMIN  
MR. LAURENT BEAUDOIN  
MR. WILBROD BHERER  
MR. ANDRÉ CHARRON  
MR. GEORGES O. CLERMONT  
MR. ÉTIENNE CREVIER  
MR. GEORGE A. DALY  
MR. ROGER DeSERRES  
MR. MARC H. DHAVERNAS  
MR. GASTON ÉLIE  
MR. J. CLAUDE HÉBERT  
MR. LOUIS HÉBERT  
MR. JACQUES LAGASSÉ  
MR. ROGER LAROSE  
MR. ANDRÉ LATREILLE  
MR. CHARLES E. MARQUIS  
MR. J. ROBERT OUIMET  
MR. GERMAIN PERREAULT  
MR. RENAULT ST. LAURENT  
MR. ROBERT M. SCHMON  
MR. ALFRED TOURIGNY

This motion having been unanimously carried, the scrutineers received the ballot from the Secretary and presented the following report:

"The undersigned scrutineers at the Ninety-eighth Annual General Meeting of the shareholders of Bank Canadian National, held at the Queen Elizabeth Hotel in Montréal, December 14, 1972, declare that they have examined the ballot which had been handed to them and that the shareholders who have been nominated are elected Directors of the Bank."

DATED AT MONTRÉAL,  
December 14, 1972.

(signed)  
DÉNYS PELLETIER  
IRÉNÉE SICARD

The scrutineers' report was unanimously confirmed, and the meeting then adjourned.

At a meeting of the Board of Directors, held immediately after the shareholders' meeting, Mr. Louis Hébert was elected Chairman of the Board and President of the Bank, and Messrs. Wilbrod Bherer, George A. Daly and Germain Perreault were elected Vice-Presidents.



## Branches of Bank Canadian National

366 Branches and 140 Agencies in Canada  
Subsidiary in Paris, 47 avenue George V

### PROVINCE OF QUÉBEC

#### Island of Montréal

Address	Postal Zone	Manager *
Main Branch 500 Place d'Armes	Montréal 126	R. V. Delisle
544 Beaubien St. E.	Montréal 326	J. P. Émond
1298 Beaubien St. E.	Montréal 330	G. Dubois
2001 Beaubien St. E.	Montréal 330	R. Désilets
2551 Beaubien St. E.	Montréal 408	F. de Grosbois
3246 Beaubien St. E.	Montréal 408	A. Langevin
1250 Bélanger St. E.	Montréal 330	T. Dubois
1995 Bélanger St. E.	Montréal 330	G. St. Vincent
2530 Bélanger St. E.	Montréal 408	J. G. Giroux
5350 Bélanger St. E.	Montréal 410	R. Despins
5090 Bellechasse St. E.	Montréal 410	P. P. Thériault
1928 Centre St.	Montréal 104	L. Lacombe
5405 Côte des Neiges	Montréal 249	R. Harvey
6238 Côte des Neiges	Montréal 249	G. Tremblay
390 Crémazie Blvd. E.	Montréal 351	R. Bérard
3490 Dandurand St.	Montréal 405	A. Cartier
6695 Darlington Ave.	Montréal 251	J. M. Lavigreur
4001 Décarie Blvd.	Montréal 260	H. P. Pérusse
1870 Church Ave.	Montréal 205	M. Martin
690 Dorchester Blvd. W.	Montréal 101	F. F. De Montigny
1201 Fleury St. E.	Montréal 359	G. Marchand
1795 Fleury St. E.	Montréal 359	F. Rinaldi
2377 Fleury St. E.	Montréal 360	J. Jobin
440 Gouin Blvd. E.	Montréal 357	A. Charuest
11257 Gouin Blvd. E.	Montréal 477	A. Poulin
5847 Gouin Blvd. W.	Montréal 390	R. Provencher
2105 Henri Bourassa Blvd. E.	Montréal 360	M. Rivest
310 Henri Bourassa Blvd. W.	Montréal 357	G. Massicotte
4061 Hochelaga St.	Montréal 403	J. St. Arnaud
5995 Hochelaga St.	Montréal 426	G. Léveillé
8775 Hochelaga St.	Montréal 430	A. Rivest
915 Jarry St. E.	Montréal 352	T. Dupont
755 Jarry St. W.	Montréal 303	D. Morin
9351 Lajeunesse St.	Montréal 354	G. Cormier
1720 Laurier St. E.	Montréal 177	L. Robert
805 Marché Central St.	Montréal 355	J. H. Cardinal
2890 Masson St.	Montréal 405	R. Tougas
6201 Monk Blvd.	Montréal 206	L. R. Rémillard
6761 Monk Blvd.	Montréal 206	R. Séguin
1450 Mount Royal Ave. E.	Montréal 177	Y. Bourgeois
2100 Mount Royal Ave. E.	Montréal 178	M. Poirier
8005 Notre Dame St. E.	Montréal 429	R. Larivée
3971 Notre Dame St. W.	Montréal 207	A. Castonguay
1800 Ontario St. E.	Montréal 133	R. Castonguay
2290 Ontario St. E.	Montréal 133	L. Saint Mieux
3571 Ontario St. E.	Montréal 402	J. Mireault
4060 Ontario St. E.	Montréal 403	J. P. Boisvert
7385 Papineau Ave.	Montréal 329	G. Carrière
5070 Park Avenue	Montréal 152	B. Couture
5551 Park Avenue	Montréal 152	V. Desrosiers
7040 Pie IX Blvd.	Montréal 453	A. St. Pierre
8905 Pie IX Blvd.	Montréal 456	B. Houle
Place Bonaventure	Montréal 114	G. Geoffrion
Place Victoria, 660 Craig St. W.	Montréal 115	C. Dion
5300 Queen Mary Road	Montréal 248	J. R. Leroux
2100 Rachel St. E.	Montréal 178	A. Trudel
2395 Rosemont Blvd.	Montréal 331	R. Tremblay
334 St. Catherine St. E.	Montréal 129	D. Fortin
1155 St. Catherine St. E.	Montréal 132	G. Côté
2395 St. Catherine St. E.	Montréal 134	P. Montplaisir
3366 St. Catherine St. E.	Montréal 402	G. Ruel
4246 St. Catherine St. E.	Montréal 403	J. P. Ouellet
4820 St. Catherine St. E.	Montréal 404	P. Lavigreur
1001 St. Catherine St. W.	Montréal 110	J. P. Rhéaume
1906 St. Catherine St. W.	Montréal 108	F. U. De Montigny
910 St. Denis St.	Montréal 129	R. Lavergne
3782 St. Denis St.	Montréal 131	S. Trudel

Address	Postal Zone	Manager *
4506 St. Denis St.	Montréal 176	A. Dagenais
5085 St. Denis St.	Montréal 176	J. M. Gélinas
7331 St. Denis St.	Montréal 327	F. Bélanger
8091 St. Denis St.	Montréal 327	R. Bastien
3501 St. Hubert St.	Montréal 132	J. C. Blais
6935 St. Hubert St.	Montréal 328	E. Lalonde
7680 St. Hubert St.	Montréal 328	L. R. Julien
2612 St. James St. W.	Montréal 106	P. Desrosiers
5101 St. Lawrence Blvd.	Montréal 151	M. Cameron
6875 St. Lawrence Blvd.	Montréal 327	L. Berardinucci
8595 St. Lawrence Blvd.	Montréal 351	R. Champagne
10310 St. Lawrence Blvd.	Montréal 357	L. de G. Ponton
10733 St. Lawrence Blvd.	Montréal 357	J. G. Cédras
7199 St. Michel Blvd.	Montréal 453	G. Lanthier
8860 St. Michel Blvd.	Montréal 455	L. Boucher
272 St. Paul St. E.	Montréal 127	M. Malette
2119 de Salaberry St.	Montréal 356	J. Lalonde
6395 Sherbrooke St. E.	Montréal 427	D. Malo
355 Sherbrooke St. W.	Montréal 111	L. Dussault
6390 Sherbrooke St. W.	Montréal 261	Y. Deschamps
6547 Somerled Ave.	Montréal 265	F. Carpentier
8200 Chatillon Ave.	Anjou 434	R. Lagacé
4599 Sources Road	Dollard des Ormeaux 980	R. Provost
655 Lakeshore Road	Dorval 780	E. Dorais
1000 Notre Dame St.	Lachine 640	G. Arseneault
605 Provost St.	Lachine 640	R. Graindler
7658 Central St.	LaSalle 690	A. Perrier
8600 Central St.	LaSalle 680	G. Beaulieu
8201 Newman Blvd.	LaSalle 660	J. M. Forget
4912 Gouin Blvd. E.	Montréal North 460	F. Boucher
6315 Henri Bourassa Blvd. E.	Montréal North 462	R. Messier
11107 L'Archevêque Blvd.	Montréal North 460	G. Dubois
3601 Monselet St.	Montréal North 459	B. Millette
10324 St. Michel Blvd.	Montréal North 459	A. Therrien
1285 Bernard Ave. W.	Outremont 154	A. Boucher
1134 Laurier Ave. W.	Outremont 153	G. Ménard
12020 Notre Dame St. E.	Pointe aux Trembles 500	L. Saey
63A Donegani Ave.	Pointe Claire 700	J. P. Lafrance
300 Lakeshore Road	Pointe Claire 720	G. Potvin
10458 Gouin Blvd. W.	Roxboro 900	P. E. Poirier
71 Ste. Anne St.	Ste. Anne de Bellevue 800	D. Gagné
15716 Gouin Blvd. W.	Ste. Geneviève 990	G. Boileau
5625 Côte de Liesse Road	St. Laurent 378	M. Raymond
1000 Décarie Blvd.	St. Laurent 379	P. Venne
1395 Church St.	St. Laurent 379	F. Downs
5680 Jean Talon St. E.	St. Léonard 451	R. Labelle
9270 Lacordaire Blvd.	St. Léonard 458	J. C. Delorme
6020 Metropolitan Blvd. E.	St. Léonard 451	J. M. Laplante
3690 Wellington St.	Verdun 203	P. Delorme
4073 Wellington St.	Verdun 203	U. Jolicoeur
4950 Wellington St.	Verdun 204	Y. A. Julien
1319 Canora Road	Town of Mount Royal 304	G. Bouchard
196 St. James St.	Ville St. Pierre 645	D. Soucy
4785 Sherbrooke St. W.	Westmount 215	N. Greendale

#### City of Québec and Suburbs

Address	Postal Zone	Manager *
380 Charest Blvd. E.	Québec 2	G. Plamondon
1806 Canardière Road	Québec 3	E. Denis
161 Des Chênes St. W.	Québec 3	L. Bilodeau
1010 des Érables Ave.	Québec 6	J. M. Martel
500 Grande Allée E.	Québec 4	B. Plamondon
1310 Masson Blvd.	Québec 8	G. Proulx
1800 First Avenue	Québec 3	G. Vincent
2995 First Avenue	Québec 3	F. Verreault
151 Ste. Foy Road	Québec 6	L. H. Gilbert
1199 St. Jean St.	Québec 4	R. Meunier
598 St. Jean St.	Québec 4	E. Langlois
878A St. Jean St.	Québec 4	L. Lemire
385 St. Paul St.	Québec 2	A. Paradis
71 St. Pierre St.	Québec 2	C. Gagné
198 St. Valier St. W.	Québec 8	M. Bélanger
699 St. Valier St. W.	Québec 8	L. Blais
498 Third Avenue	Québec 3	J. M. Bouchard

# PROVINCE OF QUÉBEC

## City of Québec and Suburbs

Address	Postal Zone	Manager *	Address	P.O. Box	Manager *
1274 Third Avenue	Québec 3	R. M. Lamontagne	Granby (Shefford) 193 Principale St.	158	P. E. Maynard
701 Royale Avenue, Beauport	Québec 5	R. Tremblay	Granby West (Shefford) 424 Principale St.	591	G. Vachon
7780 First Avenue, Charlesbourg	Québec 7	M. Verret	Grand Mère (Lavolette) 600 Sixth Avenue	520	A. Latour
3131 Royale Avenue, Giffard	Québec 5	L. Laberge	Hauterive (Saguenay) 916 De Puyjalon	640	G. Lavoie
3070 du Jardin Blvd., Orsainville	Québec 7	J. G. Jobin	Hudson (Vaudreuil) Principale St.	278	L. Mondor
2779 Laurier Blvd., Sainte-Foy	Québec 10	J. B. Roy	Hull (Hull) 205 Principale St.	487	J. P. Lefebvre
2700 Laurier Blvd., Sainte-Foy	Québec 10	M. Talbot	Hull (Hull) 145 St. Joseph Blvd.	—	G. Séguin
3066 St. Louis Road, Sainte-Foy	Québec 10	J. G. Gariépy	Hull (Hull) 428 St. Joseph Blvd.	—	E. Morin
2750 Ste. Foy Road, Sainte-Foy	Québec 10	D. Mathieu	Hull (Hull) 162 Eddy St.	—	C. Boudrias
1623 Sheppard St., Sillery	Québec 6	L. V. Sheedy	Iberville (Iberville) 540, 1st Street	—	R. Douville
233 Proulx Avenue, Vanier	Québec 8	F. M. Deschênes	Île Perrot (Vaudreuil) 135 Grand Boulevard	—	J. M. Charest
1564 Notre Dame St., Ancienne Lorette	Québec 10	R. Boucher	Jacques Cartier (see Longueuil)		
155 Racine St., Loretteville	Québec 159	R. Dallaire	Joliette (Joliette) 37 Place Bourget S.	340	A. Ducharme
			Jonquière (Chicoutimi) 343 St. Dominique St.	487	C. Rodrigue
			Kénogami (Chicoutimi) 79 King George St.	128	C. Dallaire
			La Guadeloupe (Frontenac) 156 Cartier St.	189	H. Legendre
			La Malbaie (Charlevoix) 316 St. Étienne St.	380	R. Bérubé
			L'Annonciation (Labelle)	220	J. R. Paquette
			La Pocatière (Kamouraska) 607, 4th Avenue	788	L. Bélanger
			Laprairie (Laprairie) 222 St. Ignace St.	—	F. Thémens
			Laprairie (Laprairie) 412 Ste. Elisabeth Blvd.	—	P. A. Lalanne
			La Sarre (Abitibi West) 298 Principale St.	830	J. Y. Deslauriers
			L'Assomption (L'Assomption)		
			352 L'Ange Gardien St.	70	M. Prévost
			La Tuque (Lavolette) 325 St. Joseph St.	340	J. E. Plamondon
			Lauzon (Lévis) 354B St. Joseph St.	—	R. Huot
			Laval (Chomedey) 409 Curé Labelle Blvd.	—	J. Lussier
			Laval (Chomedey) 3965 St. Martin Blvd.	—	B. St. Onge
			Laval (Duvernay) 2915 de la Concorde Blvd.	—	R. Couture
			Laval (Fabreville) 3123 Dagenais Blvd.	—	L. Forget
			Laval (Laval des Rapides) 353 des Prairies Blvd.	—	B. Despins
			Laval (Pont Viau) 61 des Laurentides Blvd.	—	M. Perreault
			Laval (Pont Viau) 505 des Laurentides Blvd.	—	M. Delorme
			Laval (Ste. Dorothée) 639 Place Publique	—	R. Girard
			Laval (Ste. Rose) 196 Ste. Rose Blvd.	—	R. Lynch
			Laval (St. Vincent de Paul)		
			5313 Lévesque Blvd.	—	R. St. Arnault
			Laval (Laval West) 3433 Ste. Rose Blvd.	—	G. Brouillard
			Lévis (Lévis) 145 Côte du Passage	1038	G. Brochu
			L'Islet sur Mer (L'Islet)	155	L. Lefrançois
			Longueuil (Chambly) 1150 Désaulniers Blvd.	—	R. Delsanne
			Longueuil (Chambly) 1346 Chambly Road	—	M. Milot
			Longueuil (Chambly) 2877 Chambly Road	—	G. Marcoux
			Longueuil (Chambly) 60 St. Charles St. W.	—	R. Payette
			Lorrainville (Témiscamingue) Notre Dame St.	100	S. P. Lajoie
			Louiseville (Maskinongé) 160 St. Laurent St.	130	G. St. Aubin
			Magog (Stanstead) 165 Principale St. W.	128	M. Constant
			Malartic (Abitibi East) 730 Royale St.	3030	R. Gosselin
			Marieville (Rouville) 491 Ste. Marie St.	100	F. Lamothe
			Matagami (Abitibi East) Place du Commerce	610	J. L. Côté
			Matane (Matane) 390 St. Jérôme Ave.	220	A. Pérusse
			McMasterville (Verchères)		
			363 Richelieu Blvd.	—	J. L. Filiatreault
			Mistassini (Roberval) 193 St. Michel Blvd.	277	G. Prémont
			Montebello (Papineau) 124 Notre Dame St.	130	C. Hugo
			Mont Joli (Matane)		
			44 Jacques Cartier Blvd. S.	1185	D. Pelletier
			Mont Laurier (Labelle) 469 de la Madone	26	E. Gauthier
			Montmagny (Montmagny)		
			74 St. Jean Baptiste St. E.	68	L. P. Gauthier
			Mont St. Hilaire (Rouville) 141 Messier St.	—	G. Ouellet
			Nicolet (Nicolet) 111 Notre Dame St.	850	Y. Hébert
			Normandin (Roberval) 375 St. Cyrille St.	370	A. A. Thibault
			Notre Dame du Lac (Témiscouata)		
			133 Commerciale St.	308	R. B. Tremblay
			Paspébiac (Bonaventure)	370	M. Ouellet
			Plessisville (Mégantic) 1754 St. Calixte St.	70	J. Y. Laflamme
			Pointe Gatineau (Hull) 22 St. Louis St.	—	E. Landry
			Pont Viau (see Laval)		
			Port Alfred (Chicoutimi) 531, 2nd Street	33	J. R. Émond
			Portneuf (Portneuf) 215, 1st Avenue W.	68	G. Lessard
			Princeville (Arthabaska) 100 St. James St. W.	130	C. Gagnon
			Rawdon (Montcalm) 469 Queen St.	640	A. Hébert
			Repentigny (L'Assomption)		
			174 Notre Dame St.	—	J. L. Faubert
			Richmond (Richmond) 60 Principale St. N.	520	C. Bolduc
			Rigaud (Vaudreuil) 133 St. Pierre St.	700	L. Lemay
			Rimouski (Rimouski) 186 Cathedral Ave.	550	J. C. Lebel
			Rimouski (Rimouski) 137 St. Germain St. W.	550	G. Dionne
			Rimouski (Rimouski) 318 St. Germain St. E.	550	G. D. Sévigny



Address	P.O. Box	Manager*	Address	P.O. Box	Manager*
Rivière du Loup (Rivière du Loup)			Shawinigan (St. Maurice) 1679 St. Marc Ave.	—	G. Sicard
101 Lafontaine St.	130	G. H. Pearson	Shawinigan (St. Maurice) 2493 St. Marc Ave.	—	G. Leclerc
Rivière du Loup (Rivière du Loup)			Sherbrooke (Sherbrooke) 110 Wellington St. N.	577	J. Matte
530 Lafontaine St.	130	C. E. D'Amours	Sherbrooke (Sherbrooke) 29 King St. E.	—	R. P. Dallaire
Roberval (Roberval) 840 St. Joseph Blvd.	10	H. St. Amand	Sherbrooke (Sherbrooke)		
Rouyn (Rouyn-Noranda) 161 Principale St.	880	J. Nerron	830 Belvedere St. S.	1372	L. Trépanier
Roxton Falls (Shefford) Principale St.	60	M. Morin	Sherbrooke (Sherbrooke) 578 King St. E.	—	G. Barrett
Ste. Adèle (Terrebonne) 51 Ste. Adèle Blvd.	120	R. Cadieux	Sorel (Richelieu) 58 Roi St.	370	B. Tétrault
Ste. Agathe des Monts (Terrebonne)			Terrebonne (Terrebonne) 857 St. Pierre St.	—	R. Crevier
50 St. Vincent St.	179	P. E. Philibert	Terrebonne (Terrebonne)		
Ste. Anne de Beaupré (Montmorency)			730 des Seigneurs Blvd.	—	J. G. Desjardins
9954 Royale Ave.	39	J. M. Lavergne	Thetford Mines (Mégantic)		
Ste. Anne des Monts (Gaspé North)			94 Notre Dame St. S.	519	B. Lemay
1, 1st Avenue W.	249	R. Dumas	Thetford Mines (Mégantic)		
Ste. Anne de la Pérade (Champlain)			917 Notre Dame St. N.	816	Y. Poirier
276 Ste. Anne St.	100	Y. Mondou	Tracy (Richelieu) 655 Marie Victorin Road	—	R. Gauthier
St. Anselme (Dorchester) 73 Principale St.	280	R. Paquet	Trois-Pistoles (Rivière du Loup)		
St. Bruno de Montarville (Chambly)			39 Notre Dame St. W.	1180	R. Paradis
1426 Montarville St.	—	R. Denault	Trois-Rivières (St. Maurice)		
St. Camille (Bellechasse)	100	R. Rathé	324 des Forges St.	428	J. Campbell
St. Casimir (Portneuf) 295 Tessier St. E.	69	L. Larrivée	Trois-Rivières (Trois-Rivières)		
St. Charles (Bellechasse) Royale St.	190	J. M. Dubé	1955 Royale St.	428	J. G. Doucet
St. Constant (Laprairie) 200 St. Pierre St.	100	J. Aubertin	Trois-Rivières (St. Maurice)		
Ste. Dorothée (see Laval)			992 St. Maurice St.	428	J. Britten
St. Eustache (Two Mountains)			Valcourt (Shefford) 833 St. Joseph St.	70	P. E. Pronovost
91 St. Eustache St.	205	P. Leduc	Val d'Or (Abitibi East) 842, 3rd Avenue	10	B. Quesnel
St. Eustache (Two Mountains)			Valleyfield (Beauharnois) 19 Nicholson St.	129	M. Parent
279 Arthur Sauvé Blvd.	—	M. Grisé	Valleyfield (Beauharnois) 68 Grande-Île Ave.	—	J. C. Gaudette
St. Félicien (Roberval)			Vaudreuil (Vaudreuil) 17 Roche Blvd.	—	R. Rivard
1121 Sacré Coeur Blvd.	370	R. Bolduc	Victoriaville (Arthabaska)		
St. Félix de Valois (Joliette)			123 Notre Dame St. E.	220	J. L. Lareau
4571 Principale St.	90	E. Tremblay	Ville Marie (Témiscamingue)		
St. Gabriel (Berthier) 57 St. Gabriel St.	210	R. Dumas	13 Ste. Anne St.	130	R. Sénéchal
St. Georges (Beauce) 331, 1st Avenue	160	W. Carrier	Wakefield (Gatineau)	130	B. Charron
St. Hubert (Chambly) 5265 Chambly Road	—	N. Martin	Warwick (Arthabaska) 140 St. Louis St.	100	R. Giguère
St. Hubert (Chambly) 3228 Grande-Allée St.	—	R. Guillet			
St. Hyacinthe (St. Hyacinthe)					
1575 Girouard St.	250	J. C. Lanoix			
St. Hyacinthe (St. Hyacinthe)					
2298 Ste. Anne Ave.	—	G. Labossière			
St. Hyacinthe (St. Hyacinthe)					
494 St. Simon Ave.	—	P. P. Deslandes			
St. Jacques (Montcalm) 83 St. Jacques St.	—	F. Philibert			
St. Jean (St. Jean) 199 Richelieu St.	10	R. Lestage			
St. Jérôme (Lac St. Jean) 93A St. André St.	—	P. E. Deschênes			
St. Jérôme (Terrebonne) 260 Montigny St.	—	G. Marano			
St. Jérôme (Terrebonne) 950 Labelle St.	—	V. Boutin			
St. Jérôme (Terrebonne) 283 St. Georges St.	66	B. Millette			
St. Joseph (Beauce) 302 du Palais Ave.	880	R. Lessard			
St. Jovite (Terrebonne) 963 Ouimet St.	280	R. Dubois			
St. Lambert (Chambly) 564 Victoria Ave.	—	Y. Dufour			
Ste. Marie (Beauce) 54 Notre Dame St.	10	A. Ruel			
Ste. Martine (Châteauguay) 168 St. Joseph St.	9	G. Caron			
St. Ours (Richelieu)					
Immaculate Conception St.	99	J. L. Cloutier			
St. Pacôme (Kamouraska) 246 Bégin Blvd.	70	J. Darveau			
St. Pamphile (L'Islet) 68 Church St. W.	130	A. Bouchard			
St. Pie (Bagot) 224 Notre Dame St.	219	A. Naud			
St. Prosper (Dorchester) St. Jean St.	157	Y. Pelletier			
St. Raymond (Portneuf) 202 St. Michel Ave.	247	A. Leboeuf			
St. Rémi (Napierville) 132 Notre Dame St.	666	T. Laforest			
St. Romuald (Lévis) 1163 Commerciale St.	2130	B. Larrivée			
Ste. Rose (see Laval)					
St. Sauveur des Monts (Terrebonne)					
252 Principale St.	279	M. Lafrenière			
Ste. Scholastique (Two Mountains)					
78 St. Jean Baptiste St.	100	G. Lafleur			
Ste. Thérèse (Terrebonne) 1 Church St.	—	L. Routhier			
St. Tite (Laviolette) 530 Notre Dame St.	249	B. Vincent			
St. Vincent de Paul (see Laval)					
Senneterre (Abitibi East) 765, 10th Avenue	428	M. Balleux			
Sept-Îles (Saguenay) 455 Arnaud St.	8	R. Dufour			
Shawinigan (St. Maurice) 692, 5th Street	10	M. LaHaye			

## PROVINCE OF ONTARIO

Address	P.O. Box	Manager*
Bourget (Russell)		
6 Champlain St. N. K0A 1E0	129	J. Y. Landriault
Casselman (Russell) 54 Ste. Euphémie St.	336	G. L'Écuyer
Hawkesbury (Prescott)		
203 Principale St. K6A 1A1	158	U. Desrosiers
L'Orignal (Prescott) King St. K0B 1K0	305	R. Rivard
Ottawa (Carleton)		
100 Besserer St., Ottawa K1N 6A6	—	J. E. Courchesne
Ottawa (Carleton)		
251 Dalhousie St., Ottawa K1N 7E1	—	L. Lalonde
Sturgeon Falls (Nipissing) 205 King St.	1090	L. Charron
Sudbury (Sudbury) 2 Lisgar St. S.	7	R. Cordeau
Timmins (Cochrane) 154 Third Avenue	1080	J. Cadieux
Toronto (York) 1 King St. E., Toronto 215	—	H. Pelland
Vanier (Carleton) 355 River Road,		
Vanier K1L 8C1	—	J. R. Thibault
Vanier (Carleton) 46-A Beechwood Ave.,		
Vanier K1L 8E3	—	J. P. Roy
Vankleek Hill (Prescott) Principale St.	220	D. Brousseau
Verner (Nipissing) 11 Principale St.	9	G. Bourget
Windsor (Essex) 1505 Ouellette Ave.	—	J. Couture

## PROVINCE OF MANITOBA

Address	P.O. Box	Manager*
St. Boniface, 179 Provencher Ave.,		
Winnipeg R2H 3B4	126	E. A. Fourneaux
St. Jean Baptiste, Centre Entrance	10	J. G. Hurtubise
St. Pierre R0A 1V0	250	C. Désautels
Winnipeg, 436 Main Street R3C 2G1	100	C. Chevrette
Winnipeg, 394 Portage Ave. R3C 2Z6	1769	R. St. Amant









Bank  
Canadian  
National

98th  
annual statement  
1972

AR51



**Notice to Shareholders**

The Annual General Meeting of Shareholders will be held on December 14, 1972 at eleven o'clock a.m. at the Queen Elizabeth Hotel, Montréal.

# Highlights

	1972	1971
Assets . . . . .	\$2,686,570,203	\$2,280,867,008
Deposits . . . . .	2,463,408,432	2,088,214,688
Loans . . . . .	1,539,872,739	1,215,457,461
Net Profits . . . . .	8,215,675	7,095,626
Earnings per share . . . . .	1.17 *	1.08 *
Provisions for income taxes:		
on balance of profits after		
appropriation for losses . . . . .	7,237,000	7,277,000
on appropriation for losses . . . . .	—	1,659,000
Capital (per share \$2.00) . . . . .	14,000,000	13,974,346
Rest account * (per share \$10.86;		
1971—\$9.89) . . . . .	76,000,000	64,897,384

\*Based on weighted average of issued shares.



# Board of Directors

## President and Chairman

\*Louis Hébert, *Montréal*

## Vice-Presidents

*Wilbrod Bherer, Q.C., <i>Québec</i>	Chairman, Canadian Vickers Ltd.
*Aristide Cousineau, <i>Montréal</i>	Chairman, René T. Leclerc Inc.
George A. Daly, <i>Montréal</i>	Chairman and Chief Executive Officer, Daly & Morin Ltd.
Michel Baribeau, <i>Lévis</i>	President and General Manager, Industries Baribeau Inc.
J. Jacques Beauchemin, Q.C., <i>Montréal</i>	President, Sullivan Mining Group Ltd.
Laurent Beaudoin, C.A., <i>Valcourt</i>	President and General Manager, Bombardier Ltd.
*André Charron, Q.C., <i>Montréal</i>	President, Lévesque, Beaubien Inc.
*Georges O. Clermont, <i>Montréal</i>	Chairman, Clermont Motor Ltd.
*Étienne Crevier, <i>Montréal</i>	Chairman, The Provident Assurance Company
*Roger DeSerres, <i>Montréal</i>	President, Omer DeSerres Ltée
Marc H. Dhavernas, <i>Montréal</i>	President, United North American Holdings Ltd.
Gaston Élie, <i>Montréal</i>	President, Transit Tankers & Terminals Ltd.
J. Claude Hébert, <i>Montréal</i>	President, Warnock Hersey International Limited
Jacques Lagassé, LL.L., <i>Sherbrooke</i>	Lagassé, Lagassé, Gagnon & Lagassé, notaries
Roger Larose, <i>Montréal</i>	President, Ciba-Geigy Canada Limited
André Latreille, Eng., <i>Montréal</i>	President, Alta Construction (1964) Limited
Charles E. Marquis, Eng., <i>Québec</i>	Chairman, Beaudet, Marquis
Germain Perreault, <i>Montréal</i>	Chief General Manager, Bank Canadian National
Renault St. Laurent, Q.C., <i>Québec</i>	St. Laurent, Monast, Desmeules, Walters & Dubé, Advocates
Robert M. Schmon, <i>Niagara-on-the-Lake</i>	President, The Ontario Paper Co. Ltd. and Quebec North Shore Paper Co. Ltd.
Alfred Tourigny, Q.C., <i>Montréal</i>	President, National Insurance Society

\*Member of the Executive Committee

# Executive Officers

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## President and Chairman

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Louis Hébert

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## Chief General Manager

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Germain Perreault

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## General Managers

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Raoul Asselin

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Jean Boulanger

---

Jacques Douville

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## Assistant General Managers

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Jean Barrett

---

Pierre Castonguay

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Hubert Dunn

---

Clément M. Dupras

---

Martin Forest

---

Olivier Hudon

---

Claude Racicot

---

Gérard Vézina

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# Statement of revenue, expenses and undivided profits

for the financial year ended October 31, 1972

Revenue	1972	1971
Income from loans . . . . .	\$112,279,745	\$100,644,383
Income from securities . . . . .	46,112,610	35,188,097
Other operating revenue . . . . .	16,214,666	16,227,268
Total revenue . . . . .	<u>\$174,607,021</u>	<u>\$152,059,748</u>
<b>Expenses</b>		
Interest on deposits and bank debentures	\$ 90,330,354	\$ 76,144,822
Salaries, pension contributions and other staff benefits . . . . .	38,834,103	35,703,392
Property expenses, including depreciation . . . . .	10,125,941	8,843,361
Other operating expenses, including provision for losses on loans based on five-year average loss experience . . .	12,863,948	10,995,547
Total expenses . . . . .	<u>\$152,154,346</u>	<u>\$131,687,122</u>
Balance of revenue . . . . .	\$ 22,452,675	\$ 20,372,626
Appropriation for losses . . . . .	7,000,000	6,000,000
Balance of profits before income taxes . .	\$ 15,452,675	\$ 14,372,626
Provision for income taxes relating thereto	7,237,000	7,277,000
Balance of profits for the year . . . . .	\$ 8,215,675	\$ 7,095,626
Dividends . . . . .	5,599,250	4,671,139
Amount carried forward . . . . .	\$ 2,616,425	\$ 2,424,487
Undivided profits at beginning of year . .	498,260	1,073,773
Transfer from accumulated appropriations for losses . . . . .	8,000,000	—
	<u>\$ 11,114,685</u>	<u>\$ 3,498,260</u>
Transferred to Rest Account . . . . .	11,000,000	3,000,000
Undivided profits at end of year . . . . .	<u>\$ 114,685</u>	<u>\$ 498,260</u>
Earnings per share . . . . .	\$ 1.17	\$ 1.08

\*

\*

\*Based on the average month-end balance of fully paid up capital stock for the twelve months of the financial years (1971—6,564,703 shares; 1972—6,998,936 shares).

# Statement of accumulated appropriations for losses

for the financial year ended October 31, 1972

Accumulated appropriations for losses at beginning of year:		
	1972	1971
General . . . . .	\$ 22,049,583	\$ 16,026,317
Tax-paid . . . . .	12,027,417	10,625,850
Total . . . . .	\$ 34,077,000	\$ 26,652,167

Additions (deductions) during year:		
Appropriation from current year's operations . . . . .	\$ 7,000,000	\$ 6,000,000
Loss experience on loans less provision included in other operating expenses . . . . .	(623,508)	(854,640)
Profits and losses on securities, including provisions to reduce securities other than those of Canada and provinces to values not exceeding market . . . . .	(491,126)	4,000,480
Other profits, losses and non-recurring items, net . . . . .	1,461,582	(62,007)
Provision for income taxes . . . . .	(242,150)	(1,659,000)
Transferred to undivided profits . . . . .	(8,000,000)	—
	\$ (895,202)	\$ 7,424,833

Accumulated appropriations for losses at end of year:		
General . . . . .	\$ 26,794,394	\$ 22,049,583
Tax-paid . . . . .	6,387,404	12,027,417
Total . . . . .	\$ 33,181,798	\$ 34,077,000

# Statement of Rest Account

for the financial year ended October 31, 1972

Balance at beginning of year . . . . .	\$ 64,897,384	\$ 54,000,000
Premium on capital stock subscriptions . . . . .	102,616	7,897,384
Transferred from undivided profits . . . . .	11,000,000	3,000,000
Balance at end of year . . . . .	\$ 76,000,000	\$ 64,897,384



# Statement of assets and liabilities

as at October 31, 1972

Assets	1972	1971
<b>Cash Resources</b>		
Cash and due from banks . . . . .	\$ 231,918,450	\$ 231,183,172
Cheques and other items in transit, net	52,926,113	41,907,033
	<u>\$ 284,844,563</u>	<u>\$ 273,090,205</u>
<b>Securities</b>		
Securities issued or guaranteed by Canada, at amortized value . . . . .	\$ 413,190,810	\$ 389,667,914
Securities issued or guaranteed by provinces, at amortized value . . . . .	119,774,251	89,619,043
Other securities, not exceeding market value . . . . .	221,228,057	207,039,882
	<u>\$ 754,193,118</u>	<u>\$ 686,326,839</u>
<b>Loans</b>		
Day, call and short loans to invest- ment dealers and brokers, secured . .	\$ 67,896,275	\$ 115,600,128
Other loans, including mortgages, less provision for losses . . . . .	1,471,976,464	1,099,857,333
	<u>\$1,539,872,739</u>	<u>\$1,215,457,461</u>
Bank premises at cost, less amounts written off . . . . .	\$ 23,407,961	\$ 21,736,693
Securities of and loans to corporations controlled by the Bank . . . . .	4,476,300	5,009,757
Customers' liability under acceptances, guarantees and letters of credit, as per contra . . . . .	77,119,932	77,098,692
Other assets . . . . .	2,655,590	2,147,361
	<u>\$2,686,570,203</u>	<u>\$2,280,867,008</u>

<b>Liabilities</b>	<b>1972</b>	<b>1971</b>
<b>Deposits</b>		
Deposits by Canada . . . . .	\$ 28,348,459	\$ 54,314,607
Deposits by provinces . . . . .	18,976,350	19,888,876
Deposits by banks . . . . .	338,698,988	156,019,170
Personal savings deposits payable after notice, in Canada, in Canadian currency . . . . .	1,109,443,534	989,717,530
Other deposits . . . . .	967,941,102	868,274,505
	<u>\$2,463,408,432</u>	<u>\$2,088,214,688</u>
Acceptances, guarantees and letters of credit . . . . .	77,119,932	77,098,692
Other liabilities . . . . .	2,745,356	2,106,638
Accumulated appropriations for losses . .	33,181,798	34,077,000
Debentures issued and outstanding* . . .	20,000,000	—
<b>Capital</b>		
Authorized: 12,500,000 shares of \$2.00 each—\$25,000,000		
Issued: 7,000,000 shares fully paid . . .	14,000,000	13,974,346
Rest account . . . . .	76,000,000	64,897,384
Undivided profits . . . . .	114,685	498,260
	<u>\$2,686,570,203</u>	<u>\$2,280,867,008</u>

The debentures bear interest at the rate of 7¼% per annum up to and including February 28, 1978 and 7½% per annum thereafter. The debentures are due on March 1, 1992 subject to the right of the holder of any debenture to elect that such debenture mature on March 1, 1978. Such election may only be made from March 1, 1977 up to September 1, 1977 inclusive.

**LOUIS HÉBERT**

President

**GERMAIN PERREAULT**

Chief General Manager

#### **Auditors' Report to the Shareholders**

We have examined the statement of assets and liabilities of the Bank Canadian National as at October 31, 1972, and the statements of its revenue, expenses and undivided profits, accumulated appropriations for losses and rest account for the financial year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Bank as at October 31, 1972, and its revenue, expenses, undivided profits, accumulated appropriations for losses and its rest account for the financial year ended on that date.

#### **Auditors**

JEAN VALIQUETTE, C.A.  
of Maheu, Noël, Anderson,  
Valiquette & Associés

JEAN LACROIX, C.A.  
of Samson, Bélair, Côté, Lacroix  
et Associés

Montréal, November 21, 1972



# Statements of assets and liabilities of controlled companies of Bank Canadian National

## Banque Canadienne Nationale (Europe)

Statement as at December 31, 1971

### Assets

Cash and due from banks and financial institutions dealing on the money market . . . . .	F.F. 43.443.524,98
Securities . . . . .	1.408.500,00
Loans, less provision for losses . . . . .	59.722.735,90
Fixed assets less depreciation . . . . .	1.362.293,41
Other assets . . . . .	4.113.135,89
	<u>F.F.110.050.190,18</u>

### Liabilities

Deposits . . . . .	F.F. 35.504.881,61
Amounts due to other banks and financial institutions dealing on the money market . . . . .	60.866.383,45
Other liabilities . . . . .	2.815.899,97
Capital stock authorized and issued: 40,000 shares of F.F. 250 each . . . . .	10.000.000,00
Reserves . . . . .	805.188,27
Undivided profits . . . . .	57.836,88
	<u>F.F.110.050.190,18</u>

**Note** Bank Canadian National owns 60% of the capital stock of this controlled company, including the directors' qualifying shares.

As at December 31, 1971, this investment was carried on the books of the Bank at \$1,090,800.

## Compagnie Immobilière BCN Ltée

Statement as at October 31, 1972

### Assets

Cash in bank . . . . .	\$ 1,335
Income taxes to be recovered . . . . .	37,530
Real estate and rights in an emphyteutic lease, less depreciation . . . . .	3,466,386
	<u>\$3,505,251</u>

### Liabilities

Loan from Bank Canadian National . . . . .	\$1,305,000
Capital stock authorized and issued: 20,000 shares of \$100.00 each . . . . .	\$2,000,000
Undivided profits . . . . .	200,251
	<u>2,200,251</u>
	<u>\$3,505,251</u>

**Notes** (1) Bank Canadian National owns the entire capital stock of Compagnie Immobilière BCN Ltée, with the exception of the directors' qualifying shares. This investment is carried on the books of the Bank at \$1,999,500.

(2) The Company has been assessed for income taxes for the years 1965 to 1968 inclusively the basis of which is presently under appeal. However the Company has won its appeal for the year 1964 but the Minister has appealed that decision to a higher court. In the event the Company is not successful in its claim additional taxes for the assessed years and subsequent years could amount to approximately \$172,000 for which no provision has been made.

### Auditors' Report to the Shareholders of Bank Canadian National

We have examined the statements of assets and liabilities of controlled companies of Bank Canadian National as at the dates indicated. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these statements present fairly the financial position of the companies as at the dates indicated.

### Auditors

JEAN VALIQUETTE, C.A. of Maheu, Noël, Anderson, Valiquette & Associés

JEAN LACROIX, C.A. of Samson, Bélair, Côté, Lacroix et Associés

Montréal, November 21, 1972





